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Dechultz & Senior
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Englewood, CO 80112

H.H.H. Tony Kechnutz

Arapahoe County Clerk & Recorder, Nancy A. Doty
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**DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF COUNTRY CLUB RIDGE CONDOMINIUMS is made and entered into by STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company ("Declarant").

LLC

WITNESSETH:

WHEREAS, the Declarant is the owner of the real property situated in the County of Arapahoe, State of Colorado, which is described on Exhibit A, attached hereto and incorporated herein by this reference, as supplemented and amended from time to time (the "Community" as more fully defined below); and

WHEREAS, the Declarant desires to subject and place upon the Community certain covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges and other provisions set forth herein for the purpose of furthering a plan for the improvement, sale and condominium ownership of the Community; and

WHEREAS, a common interest community may be created pursuant to CCIOA (as hereinafter defined) only by recording a declaration executed in the same manner as a deed. The declaration must be recorded in every county in which any portion of the common interest community is located and must be indexed in the grantee's index in the name of the common interest community and in the name of the association, and in the grantor's index in the name of each person executing the declaration. No common interest community is created until the plat or map for the common interest community is recorded.

NOW, THEREFORE, Declarant hereby declares that all of the real property in the Community shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, rights-of-way, obligations, liabilities, charges and other provisions set forth herein.

ARTICLE 1. DEFINITIONS

Section 1.1. Agencies.

"Agencies" collectively means the Government National Mortgage Association ("GNMA"), the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Department of Housing and Urban Development, including the Federal Housing Administration ("HUD"), the Veterans Administration ("VA") or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by any of such entities.

Section 1.2. Allocated Interests.

"Allocated Interests" means the Assessment liability and votes in the Association allocated to each Unit, and also means the undivided interest in the Common Elements appurtenant to each Unit.

7A

**Arapahoe County
Clerk & Recorder**

Apr 6, 2004 1:23:14 PM

Receipt # 5197097

Payee: TITLE AMERICA PICK UP

Returned To:
TITLE AMERICA PICK UP
44000,

Real Estate - Generic (DA653629)	\$331.00
Real Estate - Generic Filing Fee	\$331.00
PLAT (DA653630) - Book 261 pages	\$21.00
PL Instrument Type Filing Fee 63,64	\$21.00

Amount Due:	\$352.00
Tender Total:	\$352.00
Check #6261	132.00
CHANGE DUE:	\$0.00

Pre-paid Account Summary	
Charge Credit Extended	10.00

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS

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- Exhibit A – Community
- Exhibit B – Allocated Interests
- Exhibit C – Certain Title Exceptions
- Exhibit D – Annexable Area

**DECLARATION OF COVENANTS,
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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS OF COUNTRY CLUB RIDGE CONDOMINIUMS is made and entered into by STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company ("Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of the real property situated in the County of Arapahoe, State of Colorado, which is described on Exhibit A, attached hereto and incorporated herein by this reference, as supplemented and amended from time to time (the "Community" as more fully defined below); and

WHEREAS, the Declarant desires to subject and place upon the Community certain covenants, conditions, restrictions, easements, reservations, rights-of-way, obligations, liabilities, charges and other provisions set forth herein for the purpose of furthering a plan for the improvement, sale and condominium ownership of the Community; and

WHEREAS, a common interest community may be created pursuant to CCIOA (as hereinafter defined) only by recording a declaration executed in the same manner as a deed. The declaration must be recorded in every county in which any portion of the common interest community is located and must be indexed in the grantee's index in the name of the common interest community and in the name of the association, and in the grantor's index in the name of each person executing the declaration. No common interest community is created until the plat or map for the common interest community is recorded.

NOW, THEREFORE, Declarant hereby declares that all of the real property in the Community shall be held, sold, and conveyed subject to the following covenants, conditions, restrictions, easements, rights-of-way, obligations, liabilities, charges and other provisions set forth herein.

ARTICLE 1. DEFINITIONS

Section 1.1. *Agencies.*

"Agencies" collectively means the Government National Mortgage Association ("GNMA"), the Federal National Mortgage Association ("FNMA"), the Federal Home Loan Mortgage Corporation ("FHLMC"), the Department of Housing and Urban Development, including the Federal Housing Administration ("HUD"), the Veterans Administration ("VA") or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may in the future perform) functions similar to those currently performed by any of such entities.

Section 1.2. *Allocated Interests.*

"Allocated Interests" means the Assessment liability and votes in the Association allocated to each Unit, and also means the undivided interest in the Common Elements appurtenant to each Unit.

Section 1.2. *Allocated Interests.*

"Allocated Interests" means the Assessment liability and votes in the Association allocated to each Unit, and also means the undivided interest in the Common Elements appurtenant to each Unit. The Allocated Interest of each Unit shall be a fraction, the numerator of which is one (1) and the denominator of which is the total number of Units within the Community from time to time. The Allocated Interest of each Unit which is included in the property described on the attached Exhibit A and which will become a "Unit" under this Declaration upon recording of a Condominium Map that includes such Unit, is set forth on Exhibit B attached hereto and incorporated herein by this reference. However, the Allocated Interest for each Unit is subject to change as provided in this Declaration, including a decrease in the Allocated Interests of each Unit upon the annexation of additional property to this Community.

Section 1.3. *Annexable Area.*

"Annexable Area" means the property described on Exhibit D attached hereto and incorporated herein by this reference, plus such additional real estate from such locations as the Declarant may elect in its sole discretion in an amount not to exceed the maximum permitted pursuant to CCIOA.

Section 1.4. *Annexable Area Easement.*

"Annexable Area Easement" means a non-exclusive, perpetual easement and right-of-way: for pedestrian and vehicular access, ingress and egress, on, over and across the roads, driveways, streets, sidewalks, accessways and similar Common Elements, now or hereafter constructed, erected, installed or located in or on the Community; and on, over, across and under the Common Elements for utilities and the construction, location, erection, installation, storage, maintenance, repair, renovation, replacement and use of any utilities Improvements that may now or hereafter serve the Annexable Area or any portion thereof.

Section 1.5. *Assessment.*

"Assessment" means annual Assessments and special Assessments, which are provided for in this Declaration. For purposes of Sections 4.1, 4.4.2, 4.9 through 4.16, and 15.6 of this Declaration, "Assessment" means annual Assessments, special Assessments, and late charges, fines, fees, interest, costs, expenses, reasonable attorneys' fees, charges and all other amounts which are provided for in this Declaration.

Section 1.6. *Association.*

"Association" means Country Club Ridge Condominium Association, Inc., its successors and assigns. The Association is a community association as provided in CCIOA.

Section 1.7. *Board of Directors or Board.*

"Board of Directors" or "Board" means the body, regardless of name, designated in this Declaration, the Articles of Incorporation and the Bylaws of the Association to act on behalf of the Association.

Section 1.8. CCIOA.

"CCIOA" means the Colorado Common Interest Ownership Act, C.R.S. §38-33.3-101, et seq., as amended.

Section 1.9. Common Elements.

"Common Elements" means the totality of:

1.9.1. The real property which is part of the Community; and

1.9.2. The Condominium Buildings (including, but not by way of limitation, the foundations, columns, girders, beams, supports, perimeter and supporting walls, flues, hallways, roofs, stairs, stairways, and the mechanical installations) of the Condominium Buildings consisting of the equipment and materials making up any services such as power, light, gas, hot and cold water, heating, air conditioning, and exterior security lighting, which exist for common uses (including the pipes, vents, ducts, flues, chutes, conduits, wires, and other similar utility installations used in connection therewith), except for the Individual Air Spaces; and

1.9.3. Amenities and amenity areas, if any, sidewalks, walkways, paths, fences, grass, shrubbery, trees, driveways, roads, streets, access ways, parking areas (other than those garages that are part of the Units), garages that are designated as GCE or LCE on a Condominium Map, landscaping, irrigation systems, and gardens, if any, now or hereafter located in the Community; and

1.9.4. All apparatus, installations and equipment of the Condominium Buildings existing for common use of one, some or all of the Owners; and

1.9.5. In general, all other parts of the Community including, without limitation, the Common Elements depicted on the Condominium Map and any items designated by Declarant as Common Elements under other provisions of this Declaration, including General Common Elements and Limited Common Elements, and all other parts of the Community necessary or convenient to its existence, maintenance or safety, or normally in common use.

Section 1.10. Community.

"Community" means the real property and Improvements described on the attached Exhibit A, as supplemented and amended from time to time, with respect to which a Person, by virtue of such Person's ownership of a Unit, is obligated to pay for real estate taxes, insurance premiums, maintenance, or improvement of other real estate described in this Declaration. The Community is a condominium under CCIOA. The name of the Community is "Country Club Ridge Condominiums".

Section 1.11. *Condominium Building.*

"Condominium Building" means any building (including all fixtures and Improvements therein contained) located in the Community and within which one or more Individual Air Spaces are located.

Section 1.12. *Condominium Map.*

"Condominium Map" means the condominium map(s) of the Community and Improvements thereon that are subject to this Declaration and which is designated as the Condominium Map of Country Club Ridge Condominiums, recorded or to be recorded in the office of the Clerk and Recorder of Arapahoe County, Colorado. More than one Condominium Map or supplement thereto may be recorded and, if so, then the term "Condominium Map" collectively means all of such condominium maps and supplements thereto. The Condominium Map shall depict all or a portion of the Community in three dimensions, and shall be executed by a Person who is authorized by CCIOA to execute a declaration relating to this Community. Further, the Condominium Map shall include a certificate executed by a licensed or registered engineer, land surveyor, or architect stating that all Improvements shown on the Condominium Map have been substantially completed, all structural components of all buildings that contain or comprise any Units in the Community are substantially completed, and stating that the Condominium Map contains all the information required by Section 38-33.3-209 of CCIOA.

Section 1.13. *Declarant.*

"Declarant" means Stoneridge Development Company, LLC, a Colorado limited liability company or any other Person(s) acting in concert to whom the Declarant, by recorded document, expressly assigns one or more of the Declarant's rights under this Declaration (which shall be the extent of the Declarant's rights to which such assignee succeeds), and who:

1.13.1. as part of a common promotional plan, offers to dispose of to a purchaser such Declarant's interest in a Unit not previously disposed of to a purchaser; or

1.13.2. reserves or succeeds to any Special Declarant Right.

Section 1.14. *Declaration.*

"Declaration" means this Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums and any other recorded instruments, however denominated, that create this Community, including any supplements and amendments to those instruments and also including, but not limited to, the Condominium Map(s).

Section 1.15. *Development Rights.*

"Development Rights" means the following rights or combination of rights hereby reserved by the Declarant, as provided in this Declaration or as provided by law:

1.15.1. add real estate to this Community;

- 1.15.2. create Units and/or Common Elements;
- 1.15.3. withdraw property from this Community; and
- 1.15.4. subdivide any Unit.

The Declarant may exercise its Development Rights in all or any portion of the Community, and no assurances are made as to the boundaries or order of exercise of any such Development Rights. The Declarant's rights to exercise Development Rights shall terminate automatically as provided in Section 1.28 of this Declaration (Special Declarant Rights).

Section 1.16. *First Security Interest.*

"First Security Interest" means a Security Interest (as hereinafter defined) that has priority of record over all other recorded liens except those liens made superior by statute (such as general ad valorem tax liens and special assessments).

Section 1.17. *General Common Elements.*

"General Common Elements" means all of the Common Elements except the Limited Common Elements.

Section 1.18. *Improvements.*

"Improvements" means all structures now or hereafter located in the Community, exterior improvements to any such structures, and any other exterior improvements made to a Unit or the Common Elements, and any appurtenances thereto or components thereof, of every type or kind, including all landscaping features. The foregoing shall include, without limitation, buildings, outbuildings (including storage sheds), painting or other finish materials on any visible structures, additions and/or expansions, parking facilities, driveways, swimming pools, tennis courts, stairs, walkways, patios/decks and patio/deck enclosures and covers, awnings, hot tubs, Jacuzzis and/or saunas, antennas, satellite dishes, exterior light fixtures, poles, athletic equipment (including basketball backboards and hoops), whether fixed or movable, play yards (including swing sets and jungle gyms), exterior tanks, solar collectors, fences (including dog runs), screening walls, retaining walls, sprinkler systems, fountains, ponds, hedges, windbreaks, gardens, trees, shrubs, flowers, vegetables, sod, other plantings, rock gravel, bark, mulch and other landscaping components, signs, exterior decorations, mailboxes, and exterior air conditioning, cooling heating and water softening equipment, if any.

Section 1.19. *Individual Air Space.*

"Individual Air Space" means the air space contained within the enclosed rooms occupying part of a floor or floors in a Condominium Building, and bounded by the unfinished interior surfaces of the perimeter walls (or the adjoining walls, if two or more Individual Air Spaces adjoin each other), unfinished interior surfaces of floors (or the lowermost floors, if it is an Individual Air Space containing more than one level), unfinished interior surfaces of ceilings (or the uppermost ceilings, if it is an Individual Air Space containing more than one level), and the unfinished interior

surfaces of windows and window frames, doors and door frames of a Condominium Building, and which is separately identified on the Condominium Map.

Section 1.20. *Initially Unoccupied Units.*

"Initially Unoccupied Units" means only those Units which have not been conveyed to the initial Owner thereof other than the Declarant.

Section 1.21. *Limited Common Elements.*

"Limited Common Elements" means those parts of the Common Elements which are either limited to and reserved for the exclusive use of the Owner(s) of a particular Unit or are limited to and reserved for the common use of the Owners of more than one, but fewer than all, of the Units. Without limiting the foregoing, the Limited Common Elements shall include the following, if the same now or hereafter exist: the utility, heating, air conditioning and domestic hot water equipment, if any, associated with or providing service to any Unit; window wells, if any, attached to a Unit; porches, patios and decks, if any, as well as any fence(s) surrounding the same, if any, attached or appurtenant to any Unit; any flex garage space that the Declarant may, by recorded document(s), designate as a Limited Common Element that is appurtenant to one or more Units; and other areas or Improvements, if any, designated as Limited Common Elements on the Condominium Map. The Limited Common Elements shall be used in connection with the applicable Individual Air Space(s) to the exclusion of the use thereof by the other Owners, except by invitation. No reference to any Limited Common Elements need be made in any instrument of conveyance, encumbrance or other instrument. The Limited Common Elements allocated to Units as provided in this Section may not be reallocated without the consent of the Owners whose Units are affected and any Security Interest Holders of such Units. Further, any reallocation of Limited Common Elements between or among Units must be done in compliance with CCIOA.

Section 1.22. *Member.*

"Member" means all Owners of a Unit collectively or, following termination of the Community, of all former Owners entitled to distributions of proceeds under CCIOA, or their heirs, personal representatives, successors or assigns.

Section 1.23. *Owner.*

"Owner" means each fee simple title holder of a Unit, including without limitation, the Declarant or other Person who owns a Unit, but does not include a Person having an interest in a Unit solely as security for an obligation. There may be more than one (1) Owner of a Unit.

Section 1.24. *Person.*

"Person" means a natural person, a corporation, a limited liability company, a partnership, an association, a trust, or any other entity or any combination thereof.

Section 1.25. *Security Interest.*

"Security Interest" means an interest in real estate or personal property in the Community, or any portion thereof, created by contract or conveyance, which secures payment or performance of any obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in the Association, and any other consensual lien or title retention contract intended as security for an obligation. For purposes of Section 4.11 of this Declaration (Certificate of Status of Assessments) and, with respect to notice of cancellation or substantial modification of certain insurance policies, to Section 6.2 of this Declaration (General Provisions of Insurance Policies), "Security Interest" shall also mean and refer to any executory land sales contract wherein the administrator of Veterans Affairs, an officer of the United States of America, is the seller, whether such contract is recorded or not, and whether such contract is owned by the said administrator or has been assigned by the administrator and is owned by the administrator's assignee, or a remote assignee, and the land records in the office of the Clerk and Recorder of Arapahoe County, Colorado, show the administrator as having the record title to the Unit.

Section 1.26. *Security Interest Holder.*

"Security Interest Holder" means any Person named as a mortgagee or beneficiary, or in a similar capacity, under any Security Interest (including, for purposes of Section 4.11 of this Declaration (Certificate of Status of Assessments) and, with respect to notice of cancellation or substantial modification of certain insurance policies, to Section 6.2 of this Declaration (General Provisions of Insurance Policies), the administrator of Veterans Affairs, an officer of the United States of America, and his assigns under any executory land sales contract wherein the said administrator is identified as the seller, whether such contract is recorded or not, and whether such contract is owned by the said administrator or has been assigned by the administrator and is owned by the administrator's assignee, or a remote assignee, and the land records in the office of the Clerk and Recorder of Arapahoe County, Colorado, show the said administrator as having the record title to the Unit), or any successor to the interest of any such Person under such Security Interest.

Section 1.27. *75% Control Period.*

"75% Control Period" means a length of time expiring seven (7) years after initial recording of this Declaration in Arapahoe County, Colorado. However, the 75% Control Period shall terminate earlier, upon the first to occur of the following events, if any of the following occur within the time period that is specified in the first sentence of this Section: Sixty (60) days after conveyance of seventy-five percent (75%) of the Units that May Be Created to Owners other than a Declarant; two (2) years after the last conveyance of a Unit by the Declarant in the ordinary course of business; or two (2) years after any right to add new Units to the Declaration was last exercised.

Section 1.28. *Special Declarant Rights.*

"Special Declarant Rights" means the following rights, which rights are hereby reserved for the benefit of the Declarant, and which rights may be further described in this Declaration: to build and complete Improvements in the Community; to exercise any Development Rights; to maintain

sales offices, construction offices, management offices, signs advertising the Community, and models; to use easements through the Common Elements for the purpose of making Improvements within the Community or within real estate which may be added to the Community; to merge or consolidate a Community of the same form of ownership; or to appoint or remove any officer of the Association or any member of the Board of Directors during any 75% Control Period. All of the Special Declarant Rights may be exercised by the Declarant with respect to any portion of the property now or hereafter within the Community. Declarant may exercise any or all of these Special Declarant Rights at any time and from time to time. Such rights shall terminate automatically at such time as Declarant no longer owns any portion of the property described on the attached Exhibits A and D.

Section 1.29. Unit.

"Unit" means an Individual Air Space, together with all fixtures and Improvements therein contained, and together with the undivided interest in the Common Elements appurtenant to the Individual Air Space (which shall be the Allocated Interest of such Unit), as each Unit is listed on the attached Exhibit B. However, each of the Units listed on the attached Exhibit B shall become a "Unit" under this Declaration only at such time as a Condominium Map is recorded in Arapahoe County, Colorado, with respect to such Unit.

Section 1.30. Units that May Be Created.

"Units that May Be Created" means seventy-five (75) Units, which shall be the maximum number of Units that may be subject to this Declaration, including those Units which may be included if all of the property provided for in Section 16.4 of this Declaration (Annexation; Withdrawal) is annexed to this Declaration. However, the aforesaid number of Units that May Be Created is not a representation or a guarantee as to the actual number of Units that will ultimately be included in or constructed as part of the Community.

ARTICLE 2. MEMBERSHIP AND VOTING RIGHTS

Section 2.1. Membership.

The Association shall have one (1) class of membership. Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Unit. Each Unit shall have one (1) membership and there is only one (1) Member per Unit, even if multiple Owners own the Unit.

Section 2.2. Voting Rights.

Each Member shall be entitled to one (1) vote for each Unit owned, except that no votes allocated to a Unit owned by the Association may be cast. The total number of votes that may be cast in connection with any matter shall be equal to the total number of Units then existing within the Association.

ARTICLE 3. ASSOCIATION

Section 3.1. Association.

The Association has been or will be formed as a Colorado non-profit corporation under the Colorado Revised Nonprofit Corporation Act. The Association shall have the duties, powers and rights created by law, as well as those set forth in this Declaration and in its Articles of Incorporation and Bylaws.

Section 3.2. Board of Directors.

The affairs of the Association shall be managed by a Board of Directors. The number, term and qualifications of the Board of Directors shall be fixed in the Association's Articles of Incorporation and Bylaws. Subject to Section 3.4 hereof, the Board of Directors shall be elected by the Members. The Board of Directors may, by resolution, delegate portions of its authority to an executive committee or to other committees, to officers of the Association or to agents and employees of the Association, but such delegation of authority shall not relieve the Board of Directors of the ultimate responsibility for management of the affairs of the Association.

Section 3.3. Authority of Board of Directors.

Action by or on behalf of the Association may be taken by the Board of Directors or any duly authorized executive committee, officer, agent or employee, without a vote of the Members, except as otherwise specifically provided in this Declaration, the Articles of Incorporation or Bylaws of the Association.

Section 3.4. Election of Part of the Board of Directors During the 75% Control Period.

Not later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that May Be Created to Owners other than a Declarant, at least one (1) director and not less than twenty-five percent (25%) of the directors must be elected by Members other than the Declarant, provided that the Declarant reserves the right to appoint a majority of the Board of Directors. Not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that May Be Created to Owners other than a Declarant, not less than thirty-three and one-third percent (33 1/3%) of the directors must be elected by Members other than a Declarant, provided that the Declarant reserves the right to appoint a majority of the Board of Directors.

Section 3.5. Authority of Declarant During 75% Control Period.

Except as otherwise provided in this Article, during the 75% Control Period, the Declarant or Persons appointed by the Declarant may appoint all officers and directors and may remove all officers and directors appointed by the Declarant. The Declarant may voluntarily surrender the right to appoint and remove officers and members of the Board of Directors before termination of the 75% Control Period; but, in that event, the Declarant may require, for the duration of the 75% Control Period, that specified actions of the Association or Board of Directors, as described in a

recorded instrument executed by the Declarant, be approved by the Declarant before they become effective.

Section 3.6. *Election of Board of Directors upon Termination of 75% Control Period.*

Not later than termination of the 75% Control Period, the Members shall elect the Board of Directors, at least a majority of whom must be Owners other than the Declarant or designated representatives of Owners other than the Declarant. The Board of Directors shall elect the officers. Such directors and officers shall take office upon election.

Section 3.7. *Delivery of Property by Declarant.*

After the Members other than the Declarant elect a majority of the directors of the Association, the Declarant shall deliver to the Association all property of the Owners and of the Association held by or controlled by the Declarant, if and to the extent required by CCIOA.

Section 3.8. *Budget.*

Within ninety (90) days after adoption of any proposed budget for the Community, the Board of Directors shall mail, by ordinary first-class mail, or otherwise deliver, a summary of the Association budget to all the Members and shall set a date for a meeting of the Members to consider the budget. Such meeting shall occur within a reasonable time after mailing or other delivery of the summary. The Board of Directors shall give notice to the Owners of the meeting as provided in the Bylaws of the Association. The budget proposed by the Board of Directors does not require approval from the Owners and it will be deemed approved by the Owners in the absence of a veto at the noticed meeting by eighty percent (80%) of the votes in the Association, whether or not a quorum is present. In the event that the proposed budget is vetoed, the periodic budget last proposed by the Board of Directors and not vetoed by the Owners must be continued until such time as a subsequent budget proposed by the Board of Directors is not vetoed by the Owners.

Section 3.9. *Association Books and Records.*

The Association shall make available to Owners, prospective purchasers, Security Interest Holders, and insurers or guarantors of any such Security Interest, current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations, books, records and financial statements of the Association, except that: the Board of Directors may at any time(s) determine that items are confidential and should not be made available; and the Owners conducting such inspections shall pay all costs associated therewith. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

Section 3.10. *Information Regarding Security Interests on Units.*

Each Member shall, within twenty (20) days of encumbering such Member's Unit with a Security Interest, and at other times upon request of the Association, provide the Association with the name and address of such Security Interest Holder, a copy of the instrument(s) creating the Security Interest(s), and the loan number(s) (or other identifying number of such Security

Interest(s)). Within twenty (20) days after any change in the name or address of the Security Interest Holder on a Member's Unit, and at other times upon request of the Association, such Member shall provide the aforesaid information to the Association with respect to each Security Interest held by such Security Interest Holder.

Section 3.11. *Rules and Regulations.*

Rules and regulations concerning and governing the Units, Common Elements, and/or this Community, may be adopted, amended, repealed and enforced from time to time by the Board of Directors, and the Board of Directors may establish and enforce penalties for the infraction thereof.

The foregoing shall include, without limitation, the assignment, revocation of assignment and re- or new assignment of one or more General Common Element parking space(s) or General Common Element garage space(s) for use by the Owner(s) of one or more Units and the designation of parking space(s) for use by such Owners' family members, tenants, guests and invitees; provided that such powers, as to the flex garages that have not been designated by the Declarant via recorded document(s) as Limited Common Elements, shall be vested in the Declarant until automatic expiration of the Special Declarant Rights (as provided in Section 1.28 of this Declaration) at which time such powers, as to the flex garages that have not been designated by the Declarant via recorded document(s) as Limited Common Elements, shall be vested in the Association. The rules and regulations may state procedural requirements, interpretations and applications of any provisions of this Declaration, including without limitation, blanket requirements, blanket interpretations, and blanket applications. By way of example, and not by way of limitation, the Board may determine that a specified activity constitutes a nuisance pursuant to Section 10.9 of this Declaration (Nuisances) or that only certain types of security doors or other Improvements will be permitted. Any rules and regulations that are adopted shall be in accordance with, and shall not be inconsistent with or contrary to, this Declaration and all provisions hereof.

Section 3.12. *Cooperation with Other Community Association(s) and/or any District(s).*

The Association shall have the right and authority at any time, from time to time, to enter into agreements and otherwise cooperate with any other community association(s) and/or any district(s), to share the costs and/or responsibility for any maintenance, repair, replacement, or other matters, to perform maintenance, repair or replacement for any Person(s) in consideration of payment or reimbursement therefor, to utilize the same contractors, subcontractors, managers, or others who may perform services for the Association and/or any other community association(s) and/or any district(s), or to otherwise cooperate with any other community association(s) and/or any district(s) in order to increase consistency or coordination, reduce costs, or as may otherwise be deemed appropriate or beneficial by the Board of Directors in its discretion from time to time. The costs and expenses for all such matters, if any, shall be shared or apportioned between the Association and/or any other community association(s) and/or any district(s), as the Board of Directors may determine in its discretion from time to time. Additionally, the Association shall have the right and authority at any time, from time to time, to enter into agreements and otherwise cooperate with any other community association(s) and/or any district(s) to collect assessments, other charges, or other amounts which may be due to such entity and to permit any such entity to collect Assessments, other charges or other amounts which may be due to the Association; in any

such instance, the Association shall provide for remittance to such entity of any amounts collected by the Association or to the Association of any amounts collected by such entity.

Section 3.13. *Management Agreements and Other Contracts.*

Any agreement for professional management of the Association's business or other contract providing for the services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than ninety (90) days' prior written notice. However, any such management agreement(s) entered into by the Association with a manager or managing agent prior to termination of the 75% Control Period shall be subject to review and approval by HUD or VA if, at the time such agreement is entered into, HUD has insurance or VA has a guarantee(s) on one or more First Security Interests, and HUD or VA require their approval of such contract.

Section 3.14. *Merger.*

The Declarant hereby reserves the right to merge the Association with one or more other community associations without the approval of any Member or any other Person. This right shall terminate automatically as provided in Section 1.28 of this Declaration (Special Declarant Rights).

ARTICLE 4. ASSESSMENTS

Section 4.1. *Personal Obligation for Assessments.*

Each Owner of a Unit, including Declarant, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees and shall be personally obligated to pay to the Association: annual Assessments, special Assessments, and other amounts; with such Assessments to be established and collected as hereinafter provided. The obligation for such payments by each Owner to the Association is an independent covenant with all amounts due, from time to time, payable in full when due without notice or demand (except as otherwise expressly provided in this Declaration) and without set-off or deduction. All Owners of each Unit shall be jointly and severally liable to the Association for the payment of all Assessments, fees, charges and other amounts attributable to their Unit during their ownership of such Unit. Each Assessment shall also be the personal obligation of the Person who was the Owner of such Unit at the time when the Assessment became due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 4.2. *Purpose of Assessments.*

The Assessments levied by the Association shall be used for maintenance, repair and replacement of the Common Elements, as provided in this Declaration, to promote the recreation, health, safety and welfare of the residents of the Units, and for all of those purposes and activities which may be required of the Association or which the Association may be empowered to pursue pursuant to this Declaration the Articles of Incorporation or Bylaws of the Association, any other document(s), or by law. Notwithstanding the foregoing, however, Assessments levied during the 75% Control Period may not be used for the purpose of constructing capital Improvements.

Section 4.3. *Initial Annual Assessment.*

Until the effective date of an Association budget ratified by the Members with a different amount for the annual Assessment, as provided above, the amount of the annual Assessment against each Unit shall not exceed One Hundred Fifty and No/100 Dollars (\$150.00) per Unit per month, exclusive of any amounts due to any district and/or any other Person or entity. However, the rate of annual Assessments paid by the Initially Unoccupied Units shall be less than those paid by other Units, as provided in the next Section.

Section 4.4. *Rate of Annual and Special Assessments.*

4.4.1. Annual and special Assessments shall be sufficient to meet the expected needs of the Association and shall be apportioned among the Units in accordance with their Allocated Interests. Notwithstanding the foregoing, however, the amount of the annual Assessments and special Assessments against the Initially Unoccupied Units shall be set at a lower rate than that charged against other Units, because the Initially Unoccupied Units receive and benefit from fewer services funded by the Assessments than the other Units. Colorado Revised Statutes §38-33.3-315(3)(b) states that "Any common expense or portion thereof benefiting fewer than all of the units shall be assessed exclusively against the units benefited." Based on this provision, the Initially Unoccupied Units shall pay annual Assessments and special Assessments at the rate of eighty percent (80%) of any annual Assessment or special Assessment charged to Units other than the Initially Unoccupied Units. The annual Assessments shall include an adequate reserve fund for the maintenance, repair and replacement of those items that must be maintained, repaired or replaced on a periodic basis, and for the payment of insurance deductibles.

4.4.2. During the 75% Control Period, the Declarant may, but shall not be required to, cover certain costs of the Association by payment of any amount(s), which shall constitute advances against Assessments then or thereafter due from the Declarant; provided, however, that any such advances which have not been credited against Assessments due from the Declarant as of termination of the 75% Control Period shall then be repaid by the Association to the Declarant, without interest, to the extent that the Association has funds in excess of its working capital funds, reserve funds, and operating expenses to date for the calendar year in which the 75% Control Period terminates; and provided further, however, that any of such advances which are not repaid to the Declarant shall continue to constitute advances against Assessments then or thereafter due from the Declarant until conveyance by the Declarant of all the Units in the Community. If the Declarant elects in its discretion to pay or advance any amount as provided in this Section, Declarant shall not, under any circumstances, be obligated to continue payment or funding of any such amount(s) in the future.

Section 4.5. *Date of Commencement of Annual Assessments.*

The annual Assessments shall commence at such time as the Board of Directors may determine in its discretion. After any annual Assessment has been made by the Association, annual Assessments shall not exceed the amount set forth in Section 4.3 of this Declaration (Initial Annual Assessment) until a budget is adopted by the Board of Directors and not vetoed by the Owners. A

budget for the Association shall be adopted by the Board of Directors no less frequently than annually. The annual Assessments shall be due and payable in monthly installments, in advance, or on such other dates, and with such frequency (which may be other than monthly, but not less frequently than annually), as the Board of Directors may determine in its discretion from time to time; provided that the first annual Assessment shall be adjusted to reflect the time remaining in the first Association fiscal year. Any Owner purchasing a Unit between installment due dates shall pay a pro rata share of the last payment due.

Section 4.6. *Special Assessments.*

In addition to the annual Assessments authorized in this Article, the Board of Directors may levy, in any fiscal year, with the approval of sixty-seven percent (67%) of a quorum of Association votes cast by the Members voting in person or by proxy at a meeting duly called for this purpose, a special Assessment applicable to that year only, for the purpose of defraying in whole or in part the cost of any construction, repair or replacement of a capital Improvement upon the Common Elements or any portion of real property for which the Association has repair and/or replacement obligations, including fixtures and personal property related thereto, or for repair or replacement of any damaged or destroyed Improvements, or for the funding of any deficit incurred by the Association. Any such special Assessment shall be set against each Unit in accordance with the Allocated Interests therefor, except that the rate of special Assessments against the Initially Unoccupied Units shall be set as provided in Section 4.4.1 of this Declaration. A meeting of the Members called for the purpose of considering the establishment of a special Assessment shall be held in conformance with Section 4.7 of this Declaration (Notice and Quorum for Any Special Assessments). Notwithstanding the foregoing, special Assessments levied during the 75% Control Period may not be used for the purpose of constructing capital Improvements.

Section 4.7. *Notice and Quorum for Any Special Assessments.*

Written notice of any meeting called for the purpose of taking any action authorized under Section 4.6 of this Declaration (Special Assessments) shall be sent to all Members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all of the Association votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 4.8. *Assessments for Services to Less than All of the Units.*

The Association may, at any time from time to time, provide specified services to less than all of the Units, and the Owners of such Units shall pay the Association for such services as, when and in such manner as may be determined by the Board of Directors in its discretion from time to time, which amounts shall be Assessments and shall include overhead expenses of the Association, but shall be in addition to the annual Assessments and special Assessments. Such services shall be provided, if at all, pursuant to an agreement in writing between the Association and the Owners of the Units for which such service(s) are to be provided, with such agreement to include a statement and terms for payment of the Assessments that are to be paid by such Owners for such service(s).

Services which may be provided by the Association pursuant to this Section include, without limitation: (a) the construction, care, operation, management, maintenance, upkeep, repair, replacement and renovation of Improvements or property owned or maintained by such Owner(s); (b) the provision of any services or functions to or for such Unit(s); (c) the enforcement of the provisions of any document or agreement for, on behalf of, and in the name of the applicable Owners; (d) the payment of taxes or other amounts for Owners with funds provided by such Owners; and (e) the procurement of insurance for Owners.

Section 4.9. *Lien for Assessments.*

4.9.1. The Association has a statutory lien on a Unit for any Assessment levied against that Unit and/or its Owner. The amount of the lien shall include all those items set forth in this Section from the time such items become due. If an Assessment is payable in installments, each installment is a lien from the time it becomes due, including the due date set by any valid Association acceleration of installment obligations.

4.9.2. Recording of this Declaration constitutes record notice and perfection of the lien. No further recordation of any claim of lien for Assessments is required. However, the Board of Directors or managing agent of the Association may prepare, and record in the county in which the applicable Unit is located, a written notice setting forth the amount of the unpaid indebtedness, the name of the Owner of the Unit, and a description of the Unit. If a lien is filed, the costs and expenses thereof shall be added to the Assessment for the Unit against which it is filed and collected as part and parcel thereof. The Association's lien may be foreclosed in like manner as a mortgage on real estate.

Section 4.10. *Priority of Association Lien.*

4.10.1. A lien under this Article is prior to all other liens and encumbrances on a Unit except:

4.10.1.1. Liens and encumbrances recorded before the recordation of the Declaration;

4.10.1.2. A First Security Interest on the Unit; and

4.10.1.3. Liens for real estate taxes and other governmental assessments or charges against the Unit.

4.10.2. A lien under this Section is also prior to the First Security Interests described in the preceding subsection 4.10.1.2. to the extent, if any, provided in CCIOA.

4.10.3. This Section does not affect the priority of mechanics' or materialmen's liens or the priority of liens for other Assessments made by the Association. A lien under this Article is not subject to the provisions of part 2 of Article 41 of Title 38, C.R.S., as amended, or to the provisions of Section 15-11-201, C.R.S., as amended.

4.10.4. The Association's lien on a Unit for Assessments and other amounts shall be superior to any homestead exemption now or hereafter provided by the laws of the

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

Section 4.11. *Certificate of Status of Assessments.*

The Association shall furnish to an Owner or such Owner's designee, or to a Security Interest Holder or its designee, upon written request delivered personally or by certified mail, first class postage prepaid, return receipt, to the Association's registered agent, a written statement setting forth the amount of unpaid Assessments currently levied against such Owner's Unit. The statement shall be furnished within fourteen (14) calendar days after receipt of the request and is binding on the Association, the Board of Directors, and every Owner. If no statement is furnished to the Owner or Security Interest Holder or their designee, delivered personally (including delivery by telefax) or by certified mail, first class postage prepaid, return receipt requested, to the inquiring party, then the Association shall have no right to assert a lien upon the Unit for unpaid Assessments which were due as of the date of the request. The Association shall have the right to charge a reasonable fee for the issuance of such certificates.

Section 4.12. *Effect of Non-Payment of Assessments; Remedies of the Association.*

Any Assessment not paid within ten (10) days after the due date thereof shall bear interest from the due date at the rate of twenty-one percent (21%) per annum, or at such lesser rate as may be set from time to time by the Board of Directors, and the Board of Directors may assess thereon a monthly late charge in such amount as may be set by the Board of Directors in its discretion from time to time. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against such Owner's Unit. If a judgment or decree is obtained, including without limitation in a foreclosure action, such judgment or decree shall include a reasonable attorney's fee to be fixed by the court, together with the costs of the action, and may include interest and late charges as provided above. No Owner may be exempt from liability for payment of the Assessments by waiver of the use or enjoyment of any of the Common Elements or by abandonment of the Unit against which the Assessments are made. This Article does not prohibit actions or suits to recover sums for which this Declaration creates a lien or to prohibit the Association from taking a deed in lieu of foreclosure.

Section 4.13. *Surplus Funds.*

Any surplus funds of the Association remaining after payment of or provision for Association expenses and any prepayment of or provision for reserves shall be retained by the Association and need not be paid to the Owners in proportion to their Assessment liability or credited to them.

Section 4.14. *Working Capital Fund.*

The Association or Declarant shall require the first Owner (other than Declarant) of any Unit who purchases that Unit from Declarant to make a non-refundable contribution to the Association in an amount equal to two (2) times the then current monthly installment of the annual Assessment at the time of closing (regardless of whether or not annual Assessments have

commenced as provided in Section 4.5 hereof). Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Unit and shall be for the use and benefit of the Association, including, without limitation, to meet expenditures or to purchase additional equipment, property or services. Such contribution to the working capital fund shall not relieve an Owner from making regular payments of Assessments as the same become due. Upon the transfer of his Unit, an Owner shall be entitled to a credit from his transferee (but not from the Association) for the aforesaid contribution to working capital fund.

Section 4.15. *Other Charges.*

The Association may levy and assess charges, costs and fees for matters such as, but not limited to, the following, in such reasonable amount(s) as the Board of Directors may determine in its discretion at any time from time to time, including reimbursement of charges that are made to the Association by its managing agent or other Person(s): copying of Association or other documents; return checks; telefaxes; long distance telephone calls; charges or fees upon transfer of ownership of a Unit; notices and demand letters; and other charges incurred by the Association for or on behalf of any Owner(s). All such charges, costs and fees shall be Assessments.

Section 4.16. *Assessments for Misconduct.*

If any Association expense is caused by the misconduct of any Person, as determined by the Board of Directors, the Association may assess that Association expense exclusively against the Owner who is legally responsible for such Person and against such Owner's Unit.

ARTICLE 5. ARCHITECTURAL REVIEW

Section 5.1. *Prohibitions Against Changes in General Common Elements and Structural Changes.*

Other than as to the Declarant or, following the termination of the 75% Control Period, the Association: no Improvements shall be constructed, erected, placed, altered, planted, applied or installed on any General Common Elements; nor shall any structural alteration be made to any Unit or Common Elements.

Section 5.2. *Review by Board for Changes in Limited Common Elements.*

Except as provided in Sections 5.13 or 5.16 of this Declaration, no Improvements (including without limitation awnings) shall be constructed, erected, placed, altered, planted, applied or installed on any Limited Common Elements unless complete plans and specifications therefor, including without limitation such information and materials as may be required by the Board in its discretion from time to time, shall have been first submitted to and approved in writing by the Board of Directors. The Board of Directors shall exercise its reasonable judgment to the end that all Improvements conform to and harmonize with the existing surroundings, residences, landscaping and structures, and do not affect the structural integrity of any Unit or other Improvement. In its review of such plans, specifications and other materials and information, the Board may require that the applicant(s) reimburse the Board for the actual expenses incurred by the Board in the review and approval process. Such amounts, if any, shall be subject to the rights and

remedies in Article 4 of this Declaration that are applicable to Assessments. Notwithstanding the foregoing and notwithstanding anything to the contrary contained in this Declaration, however, until automatic termination of the Special Declarant Rights as provided in Section 1.28 of this Declaration, the Declarant reserves the right to control the architectural approval process and decisions which might otherwise be made by the Board of Directors regarding the matters that are provided for in this Article 5 or elsewhere in this Declaration (concerning architectural approval); hence, during the period from cessation of the Declarant's appointment of a majority of the Board of Directors until automatic termination of the Special Declarant Rights as provided in Section 1.28 of this Declaration, decisions on requests for architectural approval shall be made by the Declarant rather than by the Board of Directors (such that the "Declarant" shall be substituted for the "Board" or "Board of Directors," as applicable).

Section 5.3. *Additional Approvals of Improvements Required.*

In addition to the required approvals by the Board of Directors, as provided in this Article, the construction, erection, addition, deletion, change or installation of any Improvements on any Limited Common Elements, shall also require the applicant to obtain the approval of all governmental entities with jurisdiction thereover, and issuance of all required permits, licenses and approvals by all such entities. Without limiting the generality of the preceding sentence, issuance of building permits by the City of Aurora, Colorado, if required, shall be a precondition to commencement of any construction of, alteration of, addition to or change in any Improvement.

Section 5.4. *Procedures.*

The Board of Directors shall decide all requests for approval within forty-five (45) days after the complete submission of all plans, specifications, and other materials and information which the Board may require in conjunction therewith. If the Board fails to approve or disapprove any request within forty-five (45) days after the complete submission of all plans, specifications, materials and other information with respect thereto, then the application shall be deemed to have been disapproved.

Section 5.5. *Vote and Appeal.*

A majority vote of the Board is required to decide a request for approval pursuant to this Article, unless the Board of Directors has appointed a representative to act for it, in which case the decision of such representative shall control. In the event a representative acting on behalf of the Board decides a request for architectural approval which is adverse to the applicant, then the applicant shall have the right to an appeal of such decision to the full Board upon a request therefor submitted to the Board within thirty (30) days after such decision by the Board's representative.

Section 5.6. *Prosecution of Work After Approval.*

After approval of a request for architectural approval, the work to complete the same shall be accomplished as promptly and diligently as possible and in complete conformity with the approval. Failure to complete the proposed Improvement within (1) year after the date of approval of the application therefor (which length of time may be extended by the Board in its discretion, in writing), or to complete the Improvement in accordance with the description and materials

furnished to the Board and the conditions imposed with such approval, shall constitute a violation of this Article.

Section 5.7. *Notice of Completion.*

Upon completion of the Improvement, the applicant for approval of the same ("Applicant") shall give a written "Notice of Completion" to the Board of Directors. Until the date of receipt of such Notice of Completion, the Board of Directors shall not be deemed to have notice of completion of any Improvement on which approval has been sought and granted as provided in this Article.

Section 5.8. *Inspection of Work.*

The Board of Directors or its duly authorized representative shall have the right (but not the duty) to inspect any Improvement prior to, during or after completion of the same, in order to determine whether or not the proposed Improvement is being completed or has been completed in compliance with this Article and any approval therefor granted by the Board. However, unless the Board expressly states, in a written document, that an Improvement is being completed or has been completed in conformance with the approval therefor, no such conformance shall be implied from inspection of the Improvement either during the work or after completion thereof.

Section 5.9. *Notice of Noncompliance.*

If, as a result of inspections or otherwise, the Board of Directors finds that any Improvement has been done without obtaining the approval of the Board, or was not done in substantial compliance with the approval that was granted pursuant to Section 5.6 (Prosecution of Work After Approval) the Board shall notify the Applicant in writing of the noncompliance; which notice shall be given ("Notice of Noncompliance"), in any event, within sixty (60) days after the Board receives a Notice of Completion from the Applicant. The notice shall specify the particulars of the noncompliance.

Section 5.10. *Correction of Noncompliance.*

If the Board of Directors determines that a noncompliance exists, the Applicant shall remedy or remove the same (and return the subject property or structure to its original condition) within a period of not more than forty-five (45) days from the date of receipt of the Notice of Noncompliance. If the Applicant does not comply with the Board of Directors' ruling within such period, the Board may, at its option, record a Notice of Noncompliance against the property on which the noncompliance exists, may remove the non-complying Improvement or may otherwise remedy the noncompliance, and the Applicant shall reimburse the Board, upon demand, for all costs and expenses incurred with respect thereto.

Section 5.11. *Records.*

The Board of Directors shall, for such period of time as may be determined by the Board of Directors in its discretion from time to time, maintain written records of all applications submitted

to it and all actions taken by it thereon, and such records shall be available to Members for inspection at reasonable hours of the business day.

Section 5.12. *Liability.*

Neither the Board of Directors, nor the Declarant, nor any members or employees thereof, nor any representative, shall be liable in damages to any Person submitting requests for approval or to any Person by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove, in regard to any matter within its jurisdiction hereunder. In reviewing any matter, neither the Board of Directors nor the Declarant shall be responsible for the safety, whether structural or otherwise, of the Improvements submitted for review, nor the conformance with applicable building codes or other governmental laws or regulations, and any approval of an Improvement by the Board of Directors or the Declarant shall not be deemed an approval of any such matters. No Member or other Person shall be a third party beneficiary of any obligation imposed upon, rights accorded to, action taken by, or approval granted by the Board of Directors or the Declarant.

Section 5.13. *Variance.*

The Board of Directors may grant reasonable variances or adjustments from any conditions and restrictions imposed by this Article or Article 10 hereof, in order to overcome practical difficulties or prevent unnecessary hardships arising by reason of the application of any such conditions and restrictions. Such variances or adjustments shall be granted only in case the granting thereof shall not be materially detrimental or injurious to any other property or Improvements in the Community and shall not militate against the general intent and purpose hereof.

Section 5.14. *Waivers, No Precedent.*

The approval or consent of the Board of Directors or the Declarant, or any representative thereof, to any application for architectural approval shall not be deemed to constitute a waiver of any right to withhold or deny approval or consent as to any application or other matters whatsoever as to which approval or consent may subsequently or additionally be required. Nor shall any such approval or consent be deemed to constitute a precedent as to any other matter.

Section 5.15. *Architectural Standards/Guidelines.*

The Board of Directors has the authority to promulgate architectural standards, guidelines, rules and regulations to interpret and implement the provisions of this Article. Without limiting the generality of the foregoing, such provisions may contain guidelines to clarify the types of designs and materials that may be considered in design approval, may state requirements for submissions in order to obtain review by the Board, may state procedural requirements, or may specify acceptable Improvement(s) that may be installed without the prior approval of the Board. The guidelines may contain blanket approvals, interpretations, or restrictions on Improvements. By way of example, and not by way of limitation, the guidelines may state that a certain type of screen door will be acceptable and will not require approval. All Improvements proposed to be constructed, and any guidelines that are adopted, shall be done and used in accordance with the provisions of this Article and shall not be inconsistent with this Article.

Section 5.16. *Declarant's Exemption.*

Notwithstanding anything to the contrary, the Declarant shall be exempt from the provisions of this Article, except the requirement to obtain approval of governmental entities with jurisdiction thereover (as provided for in Section 5.3 of this Declaration).

ARTICLE 6. INSURANCE

Section 6.1. *Insurance.*

The Association shall maintain insurance in connection with the Common Elements. The Association shall maintain insurance as required by applicable law or applicable regulation, including CCIOA; which insurance shall include, without limitation, property insurance, commercial general liability insurance and fidelity coverage. In addition, the Association may maintain insurance on such other property and/or against such other risks as the Board of Directors may elect from time to time, including, but not limited to, personal liability insurance to protect directors and officers of the Association from personal liability in relation to their duties and responsibilities in acting as directors and officers on behalf of the Association.

Section 6.2. *General Provisions of Insurance Policies.*

All policies of insurance carried by the Association shall be carried in blanket policy form naming the Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner shall be an insured person under such policies with respect to liability arising out of any Owner's membership in the Association. The policy or policies shall contain a standard non-contributory Security Interest Holder's clause in favor of each Security Interest Holder and a provision that it cannot be canceled or materially altered by either the insured or the insurance company until at least thirty (30) days' prior written notice thereof is given to the insured and each Security Interest Holder, insurer or guarantor of a Security Interest. The Association shall furnish a certified copy or duplicate original of such policy or renewal thereof, with proof of premium payment and a certificate identifying the interest of the Owner in question, to any party in interest, including Security Interest Holders, upon request. All policies shall contain waivers of any defense based on invalidity arising from any acts or neglect of an Owner where such Owner is not under the control of the Association.

Section 6.3. *Deductibles.*

The Association may adopt and establish written non-discriminatory policies and procedures relating to the responsibility for deductibles. Any loss, or any portion thereof, which falls within the deductible portion of a policy that is carried by the Association, may be borne by the Person who is responsible for the repair and maintenance of the property which is damaged or destroyed, may be apportioned among the Persons sharing in a joint duty of repair and maintenance, and/or may be partly or wholly borne by the Association, and/or may be shared by any such Person(s) and the Association at the election of the Board of Directors. Notwithstanding the foregoing, after notice and hearing, the Association may determine that a loss, either in the form of a deductible to be paid by the Association or an uninsured loss, resulted from the act or negligence of one or more Owners. Upon said determination by the Association, any such loss or portion

thereof may be assessed to the Owner(s) in question in such amount(s) as the Board of Directors deems appropriate, and the Association may collect such amount(s) from said Owner(s) in the same manner as any Assessment.

Section 6.4. *Payment of Insurance Proceeds.*

Any loss covered by an insurance policy described in Section 6.1 of this Declaration (Insurance) must be adjusted with the Association, but the insurance proceeds for that loss shall be payable to any insurance trustee designated for that purpose, or otherwise to the Association, and not to any Security Interest Holder. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Association, Owners and Security Interest Holders as their interests may appear. Subject to the provisions of Section 7.1 of this Declaration (Damage or Destruction), the proceeds must be disbursed first for the repair or replacement of the damaged property; and the Association, Owners and Security Interest Holders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or replaced and any budget or reserve deficit has been funded, or unless or the Community is terminated.

Section 6.5. *Association Insurance as Primary Coverage.*

If at the time of any loss under any policy which is in the name of the Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, which is covered by such Association policy, such Association policy shall be primary insurance not contributing with any of such other insurance. An Owner shall be liable to the Association for the amount of any diminution of insurance proceeds to the Association as a result of policies of insurance of an Owner, and the Association may collect the amount from said Owner in the same manner as any Assessment.

Section 6.6. *Acceptable Insurance Companies.*

Each hazard insurance policy purchased by the Association must be written by a hazard insurance carrier that is authorized by law to do business in the State of Colorado. The Association shall not obtain any policy where (a) under the terms of the insurance company's charter, bylaws, or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee, or (b) under the terms of the carrier's charter, bylaws, or policy, loss payments are contingent upon action by the carrier's board of directors, policy holders or members, or (c) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or any Owner from collecting insurance proceeds.

Section 6.7. *Insurance to be Maintained by Owners.*

An insurance policy issued to the Association does not obviate the need for Owners to obtain insurance for their own benefit. Insurance coverage on the furnishings and other items of personal property belonging to an Owner, and public liability insurance coverage on each Individual Air Space, shall be the responsibility of the Owner of such Individual Air Space.

Section 6.8. *Notice of Cancellation.*

If the insurance that is required to be carried by the Association is not reasonably available, or if any policy of such insurance is canceled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be hand delivered, or sent prepaid by United States mail, to all Owners.

ARTICLE 7. DAMAGE OR DESTRUCTION

Section 7.1. *Damage or Destruction.*

7.1.1. Any portion of the Community which is covered by a policy of insurance which is required to be carried by the Association under this Declaration and which is damaged or destroyed must be repaired or replaced promptly by the Association unless:

7.1.1.1. The Community is terminated; or

7.1.1.2. Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety; or

7.1.1.3. Members casting sixty-seven percent (67%) of the Association votes, including every Member whose Unit will not be rebuilt, vote not to rebuild; or

7.1.1.4. Prior to the conveyance of any Unit to a Person other than the Declarant, a Security Interest Holder of a Security Interest on the damaged portion of the Community rightfully demands all or a substantial part of the insurance proceeds.

7.1.2. The cost of repair or replacement that is covered by insurance carried by the Association, but which is in excess of insurance proceeds and reserves, is an Association expense. If the entire Community is not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Community, and except to the extent that other Persons will be distributees, the insurance proceeds attributable to Units that are not rebuilt must be distributed to the Owners of those Units or to lienholders, as their interests may appear, and the remainder of the proceeds must be distributed to all the Owners or lienholders, as their interests may appear, in proportion to the Allocated Interests of all the Units. If the Members vote not to rebuild any Unit, that Unit's Allocated Interests are automatically reallocated upon the vote as if the Unit had been condemned as provided in Section 16.10 of this Declaration (Eminent Domain), and the Association promptly shall prepare, execute and record an amendment to the Declaration reflecting such reallocations.

Section 7.2. *Use or Distribution of Insurance Proceeds.*

In the event of damage or destruction to all or a portion of the Common Elements, due to fire or other adversity or disaster, the insurance proceeds, if sufficient to repair or replace the

damaged areas, shall be applied by the Association to such repair and/or replacement. If the insurance proceeds with respect to such damage or destruction are insufficient to repair and/or replace the damaged or destroyed area(s), the Association shall levy a special Assessment in the aggregate amount of such insufficiency pursuant to 4.6 of this Declaration (Special Assessments), but without approval of the Members, and shall proceed to make such repairs or replacements. No distributions of insurance proceeds shall be made unless made jointly payable to the Owners and any Security Interest Holders of their respective Units. The Assessment provided for herein shall be a debt of each Owner and a lien on his Unit and the Improvements thereon, and may be enforced and collected in the same manner as any Assessment provided for in this Declaration.

Section 7.3. *Damage or Destruction of Units.*

If due to casualty, or for any other reason, an Individual Air Space shall be destroyed or damaged, then the Owner thereof shall, within a reasonable time thereafter, not to exceed one hundred twenty (120) days after repair or replacement of the Condominium Building within which such Individual Air Space is located, including without limitation the walls and roof of the Unit, commence and diligently pursue repair and replacement of the Individual Air Space, using any available personal insurance proceeds and personal funds of such Owner, unless the Condominium Building within which such Individual Air Space is located is not repaired and/or replaced as hereinabove provided.

ARTICLE 8. MAINTENANCE

Section 8.1. *Management and Maintenance Duties.*

Subject to the rights of, and obligations, requirements and limitations on, Owners as set forth in this Declaration:

8.1.1. The Association shall be responsible for the management, control, maintenance, repair, replacement and improvement of the Common Elements (including the Limited Common Elements except as provided below), and any property owned by the Association, including facilities, furnishings and equipment related thereto, and the Association shall keep the same (except Limited Common Elements as provided below) in good, clean, attractive and sanitary condition, order and repair. Without limiting the generality of the foregoing, the Association shall: periodically paint the front doors and garage doors of residences; maintain, repair and/or replace the roofs and exteriors of the Condominium Buildings; maintain, repair and replace landscaping and private streets in the Community; provide for regular trash removal; and provide for snow removal (as and when deemed appropriate by the Board of Directors in its discretion from time to time) from the sidewalks, parking areas and driveways in the Community. The Association shall not be responsible for the maintenance, repair and/or replacement of window glass or other glass surfaces, window screens, light bulbs, electrical fixtures, electrical facilities (such as electric eyes), decks, porches, patios and front doors or garage doors (except painting of exterior doors).

8.1.2. Notwithstanding anything to the contrary contained in this Declaration, none of the responsibilities of the Association for management, control, maintenance,

repair, replacement and improvement of the Common Elements or Improvements thereon shall give rise to any interest of the Association in any Unit or the quality of any Improvements therein or thereon, nor any right by the Association to pursue any claims against the Declarant, any member thereof, or any other Person, for negligence, breach of express or implied warranties, or any other matters, with respect to any such Improvements or the construction thereof.

8.1.3. Except as otherwise provided in this Declaration, the Owner of each Unit shall be solely responsible for maintaining, repairing and replacing his Unit and the Improvements therein or appurtenant thereto. Further, each Owner shall be responsible for exclusive maintenance, repair and replacement of all fixtures, equipment and utilities installed or located within such Owner's Individual Air Space, all windows and other glass surfaces, window screens, doors and garage doors (except painting of exterior doors), all light bulbs, electrical fixtures and electrical facilities, and all other equipment providing exclusive service thereto or therefor and any service lines from such equipment to the Unit (including, without limitation, all utility, heating, plumbing, air conditioning and domestic hot water equipment and appurtenances but not including landscaping irrigation systems), regardless of whether such fixtures, equipment and utilities are owned by said Owner or are Common Elements. Each Owner shall also keep the Limited Common Elements, or portions thereof, designated for use solely in connection with his Unit, in a good, clean, sanitary and attractive condition and order.

Section 8.2. *Maintenance, Repair and Replacement Obligations.*

Any Improvement which has been changed, altered or modified by or for an Owner or occupant of a Unit shall be maintained, repaired and replaced by such Owner to the extent of the change, alteration or modification. If the Improvement is newly constructed, erected, placed, planted, applied or installed by an Owner or occupant of a Unit, then the entirety of such Improvement shall be maintained, repaired and replaced by, the Owner of such Unit. However, the Board of Directors may at any time, by resolution, elect to have the Association provide such maintenance, repair or replacement; provided that any such resolution shall be subject to being repealed, revoked, modified, changed or altered, at any time, from time to time, by the Board.

Section 8.3. *Association's Right to Repair, Maintain and Replace.*

In the event any Owner shall fail to perform his maintenance, repair and replacement obligations in a manner satisfactory to the Board of Directors, the Association may, if said failure continues for a thirty (30) day period after written notice to said Owners by the Board of Directors, enter upon said Unit subsequent to the expiration of said thirty (30) day time period to perform any or all of such maintenance, repair or replacement. The cost of such maintenance, repair and replacement shall be the personal obligation of the Owner of the Unit on which such work is performed so that such amounts shall be paid by such Owner, and enforceable by the Association, as Assessments.

Section 8.4. *Acts or Omissions*

Notwithstanding anything to the contrary contained in this Declaration, in the event that the need for maintenance, repair or replacement of the Common Elements, any other property, a Unit, or any Improvements located thereon, is caused by the willful or negligent act or omission of any Owner, any member of such Owner's family or by a guest or invitee of such Owner, the cost of such repair, maintenance, replacement or expense to avoid such damage shall be the personal obligation of such Owner to the extent that said Owner would be liable for the acts of such Persons under the laws of the State of Colorado; and any costs, expenses and fees incurred by the Association for such maintenance, repair or replacement shall be paid by such Owner, and enforceable by the Association, as Assessments. A determination of the negligence or willful act or omission of any Owner, or any member of an Owner's family or a guest or invitee of any Owner, and the amount of the Owner's liability therefor, shall be determined by the Association at a hearing after notice to the Owner, provided that any such determination which assigns liability to any Owner pursuant to the terms of this Section may be appealed by said Owner.

ARTICLE 9. EASEMENTS

Section 9.1. *Other Easements.*

In addition to any other easements that may be granted or reserved elsewhere in this Declaration, the following Sections in this Article describe easements to which the Community is subject.

Section 9.2. *Maintenance, Repair and Replacement Easement.*

Each Owner hereby grants to the Association and the other Owners, and to their agents, employees and contractors, a right and easement on, over, across and through such Owner's Unit for maintenance, repair and replacement as provided in this Declaration; provided that such easement may only be exercised during reasonable hours after reasonable notice to the Owners or occupants of any affected Unit, except that in emergency situations entry upon a Unit may be made at any time provided that the Owner or occupants of each affected Unit shall be warned of impending emergency entry as early as is reasonably possible. If damage is inflicted, or a strong likelihood exists that it will be inflicted, on the Common Elements, any other property, or any Unit, the Owner responsible for the damage or expense to avoid damage, or the Association if it is responsible, is liable for the cost of prompt repair or avoidance.

Section 9.3. *Easement for 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.

Section 9.4. *Drainage Easement.*

An easement is hereby granted to the Association, its directors, officers, agents, employees, successors and assigns, to enter upon, across, over, in and under the Common Elements for the

purpose of changing, correcting or otherwise modifying the grade or drainage channels of the Community so as to maintain or improve the drainage of water in or from the Community.

Section 9.5. *Utilities.*

Declarant hereby reserves a blanket easement upon, across, over and under the Common Elements for utilities and the installation, replacement, repair and maintenance of utilities, including, but not limited to, water, sewer, gas, telephone, electricity, computer cable, and master television antenna or cable or satellite television systems, if any. By virtue of this blanket easement it shall be expressly permissible to erect and maintain the necessary facilities, equipment and appurtenances on the Common Elements and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, computer and television wires, cables, circuits, conduits and meters. In the event any utility or quasi-utility company furnishing a service covered by the general easement created herein requests a specific easement by separate recordable document, Declarant reserves and is hereby given the right and authority to grant such easement upon, across, over or under any part or all of the Common Elements without conflicting with the terms hereof; provided, however, that such right and authority shall automatically terminate at such time as the Special Declarant Rights terminate as provided in Section 1.28 of this Declaration (Special Declarant Rights), at which time said reserved right shall vest in the Association. The easement provided for in this Section shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Common Elements.

Section 9.6. *Easement for Unannexed Property.*

The Declarant hereby reserves an Annexable Area Easement for the use and benefit of the Annexable Area. By virtue of this Annexable Area Easement, the Declarant generally intends to provide for pedestrian and vehicular access and for utilities services, to those portion(s) of the Annexable Area which have not been included in or have been withdrawn from the Community, from time to time, as provided in Section 16.4 of this Declaration (Annexation; Withdrawal). Hence, the Annexable Area Easement shall be in effect for each portion of the Annexable Area, from and after recording of this Declaration, but shall cease to be effective as to each portion of the Annexable Area at such time as both of the following have occurred with respect to such portion of the Annexable Area: annexation of such portion of the Annexable Area to this Declaration pursuant to Section 16.4 of this Declaration (Annexation; Withdrawal); and expiration of the Declarant's right to withdraw such portion of the Annexable Area from this Declaration.

ARTICLE 10. *RESTRICTIONS*

Section 10.1. *General Plan; Restrictions Imposed.*

It is the intention of the Declarant to establish and impose a general plan for the improvement, development, use and occupancy of the Community. The Community is subject to the recorded easements, licenses and other matters listed on Exhibit C attached hereto and incorporated herein by this reference. In addition, the Declarant declares that all of the Units shall be held and shall henceforth be sold, conveyed, used, improved, occupied, owned, resided upon and

hypothecated, subject to the following provisions, conditions, limitations, restrictions, agreements and covenants, as well as those contained elsewhere in this Declaration.

Section 10.2. *Exterior Changes.*

Except for those Improvements erected, constructed or installed by Declarant in its completion of the Community, no exterior additions to, alterations or decoration of any Condominium Building or Units shall be commenced, erected, placed or maintained, except as provided in this Declaration.

Section 10.3. *Residential Use; Professional or Home Occupation.*

Subject to Section 16.5 of this Declaration (Declarant's Use), Units shall be used for residential use only, including uses which are customarily incident thereto, and shall not be used at any time for business, commercial or professional purposes. Notwithstanding the foregoing, however, Owners may conduct business activities within their homes provided that all of the following conditions are satisfied:

10.3.1. The business conducted is clearly secondary to the residential use of the Unit and is conducted entirely within the Unit;

10.3.2. The existence or operation of the business is not detectable from outside of the Unit by sight, sound, smell or otherwise, or by the existence of signs indicating that a business is being conducted;

10.3.3. The business does not result in an undue volume of traffic or parking within the Community, which determination shall be made by the Board of Directors in its sole discretion from time to time;

10.3.4. The business conforms to all zoning requirements and is lawful in nature; and

10.3.5. The business conforms to any rules and regulations that may be imposed by the Board of Directors from time to time on a uniform basis.

Section 10.4. *Household Pets.*

No animals, livestock, birds, poultry, reptiles or insects of any kind shall be raised, bred, kept or boarded in or on the Units; provided, however, that the Owners of each Unit may keep up to two (2) dogs or cats, and/or other domestic animals which are bona fide household pets, so long as such pets are not kept for any commercial purpose and are not kept in such manner as to be unreasonable or create a nuisance to any resident of the Units. The Board of Directors shall have, and is hereby given, in its sole discretion, the right and authority to: set a size or poundage limit on pets; regulate the type(s) of pets that are permitted to be kept; determine that any dog(s), cat(s) or other household pet(s) are being kept for a commercial purpose or are being kept in such manner as to be unreasonable or create a nuisance; or that an Owner or tenant is in violation of the leash laws of the applicable jurisdiction or other applicable governmental laws, ordinances, or other provisions related to household pets; or determine that an Owner is otherwise in violation of this Section. If

the Board decides any of the foregoing, then the Board may take such action or actions as it deems appropriate. An Owner's right to keep household pets shall be coupled with the responsibility to pay for any damage caused by such pets, as well as any costs incurred by the Association as a result of such pets, and any such costs and damages shall be subject to all of the Association's rights with respect to the collection and enforcement of Assessments.

Section 10.5. *Signs.*

No advertising or signs of any character shall be erected, placed, permitted, or maintained on any Unit without the written approval of the Board of Directors, except for the following: (i) a name plate of the occupant and a street number; (ii) a "For Sale," "Open House," or "For Rent" sign(s) of not more than a total of five (5) square feet in the aggregate, in a window(s) of the Unit; and (iii) two (2) security system signs no larger than one hundred (100) square inches each in a window(s) of the Unit. Notwithstanding the foregoing, reasonable signs, advertising, or billboards used by the Declarant in connection with the sale, rental or use of one or more Units, or otherwise in connection with development of or construction in the Community, shall be permissible, provided that such use shall not interfere with an Owners' use and enjoyment of their Unit or with their ingress or egress from a public way to their Unit.

Section 10.6. *Antennas.*

Except as may otherwise be permitted by the Board of Directors, no exterior radio antenna, television antenna, or other antenna, satellite dish, or audio or visual reception device of any type shall be placed, erected or maintained on any Unit, any Limited Common Elements or the Common Elements; provided, however that any such devices may be erected or installed by the Declarant during its sales or construction in the Community; and provided further, however, that the prohibition contained in the first sentence of this Section shall not apply to those "antennas" (including certain satellite dishes) which are specifically covered by the Telecommunications Act of 1996 and/or regulations promulgated thereunder, as amended from time to time. As to "antennas" (including certain satellite dishes) which are specifically covered by the Telecommunications Act of 1996 and/or regulations promulgated thereunder, as amended, the Association shall be empowered to adopt rules and regulations governing the types of "antennas" (including certain satellite dishes) that are permissible hereunder and, to the extent permitted by the Telecommunications Act of 1996 and/or regulations promulgated thereunder, as amended, establishing reasonable, non-discriminatory restrictions relating to appearance, safety, location and maintenance.

Section 10.7. *Vehicular Parking, Storage and Repairs.*

10.7.1. No house trailer, camping trailer, boat trailer, hauling trailer, boat, or accessories thereto, truck (larger than 1 ton), self-contained motorized recreational vehicle, or other type of recreational vehicle or equipment, nor any commercial vehicle, may be parked or stored in the Community, except that any such vehicle may be otherwise parked as a temporary expedient for loading, delivery, or emergency. This restriction, however, shall not restrict trucks or other commercial vehicles that are necessary for construction or for the maintenance of the Units, Common Elements, other property, or any Improvements.

10.7.2. Except as hereinabove provided, no abandoned or inoperable automobiles or vehicles of any kind shall be stored or parked in the Community. An "abandoned or inoperable vehicle" shall be defined as any automobile, truck, motorcycle, or other similar vehicle, which has not been driven under its own propulsion for a period of one (1) week or longer, or which does not have an operable propulsion system installed therein, or which does not have a current license plate thereon; provided, however, that otherwise permitted vehicles parked by Owners while on vacation (for a maximum of two (2) weeks) or during a period of illness shall not be deemed to be abandoned.

10.7.3. In the event the Association shall determine that a vehicle is parked or stored in violation of subsections 10.7.1 or 10.7.2 of this Section, then a written notice describing said vehicle shall be personally delivered to the owner thereof (if such owner can be reasonably ascertained) or shall be conspicuously placed upon the vehicle (if the owner thereof cannot be reasonably ascertained), and if the vehicle is not removed within a reasonable time thereafter, as determined by the Board of Directors in its discretion from time to time, the Association shall have the right to remove the vehicle at the sole expense of the owner thereof.

10.7.4. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicles, trailers or boats, may be performed or conducted in the Community.

Section 10.8. *Flooring.*

No hard floor surfaces will be permitted in Units 201, 202 or 203 in any Condominium Building, except that hard floor surfaces have previously been installed or approved for installation in Unit 202, Condominium Building 2280 and Unit 201, Condominium Building 2270. Further, no attached carpeting or similar attached material will be permitted on any porches, patios or decks.

Section 10.9. *Nuisances.*

No nuisance shall be permitted on any Unit nor any use, activity or practice which is a source of annoyance or embarrassment to, or which offends or disturbs, the resident of any Unit or which interferes with the peaceful enjoyment or possession and proper use of any Unit, or any portion thereof, by its residents. As used herein, the term "nuisance" shall not include any activities of Declarant which are reasonably necessary to the development and construction of, and sales activities on, the Units. No noxious or offensive activity shall be carried on upon any Unit nor shall anything be done or placed on any Unit which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others, and no unsightly conditions, structures, facilities, equipment or objects shall be so located on any Unit as to be visible from a street or from any other Unit. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of any Unit or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Units, or any portion thereof, shall be observed.

Section 10.10. *No Hazardous Activities; No Hazardous Materials or Chemicals.*

No activities shall be conducted on any Unit or in the Community which are, or might be, unsafe or hazardous to any Person or property. Without limiting the generality of the foregoing, no firearms shall be discharged and no open fires shall be lighted or permitted except in a contained barbecue unit while attended and in use for cooking purposes or within an interior fireplace. Further, no hazardous materials or chemicals shall at any time be located, kept or stored in, on or at any Unit except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property.

Section 10.11. *No Annoying Light, Sounds or Odors.*

No light shall be emitted which is unreasonably bright or causes unreasonable glare; no sound shall be emitted which is unreasonably loud or annoying; and no odor shall be permitted which is noxious or offensive to others.

Section 10.12. *Restrictions on Trash and Materials.*

No refuse, garbage, trash, lumber, grass, shrubs or tree clippings, plant waste, metal, bulk materials, scrap or debris of any kind shall be kept, stored, or allowed to accumulate unless placed in a suitable container suitably located solely for the purpose of garbage pickup. All equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. No garbage or trashcans or receptacles shall be maintained in an exposed or unsightly manner.

Section 10.13. *Leases.*

The term "lease," as used herein, shall include any agreement for the leasing or rental of a Unit, or any portion thereof, and shall specifically include, without limitation, month-to-month rentals and subleases. Any Owner shall have the right to lease his Unit, but all leases shall be in writing and all leases shall provide that the terms of the lease and lessee's occupancy of the leased premises shall be subject in all respects to this Declaration, and the Articles of Incorporation, Bylaws and rules and regulations of the Association.

ARTICLE 11. PROPERTY RIGHTS IN THE COMMON ELEMENTS

Section 11.1. *Owners' Easements.*

Subject to this Article, every Owner shall have a non-exclusive right and easement of enjoyment in and to the General Common Elements and those Limited Common Elements appurtenant to his Unit, plus a right and easement of ingress and egress over, across and upon the General Common Elements and those Limited Common Elements appurtenant to his Unit, for the purpose of getting to and from his Unit and public ways, for both pedestrian and vehicular travel, which rights and easements shall be appurtenant to and pass with the transfer of title to every Unit.

Section 11.2. *Extent of Owners' Easements.*

Subject to the other provisions of this Article, the rights and easements of enjoyment created hereby are subject to the following: the Common Elements may not be used in any manner which violates the statutes, rules or regulations of any governmental authority with jurisdiction over the Common Elements; and no Owner may place any structure on the Common Elements. In addition, such rights and easements are subject to the following rights of the Association:

11.2.1. The right of the Association to borrow money for the purpose of improving the Common Elements and to mortgage said property as security for any such loan; provided, however, that the Association may not subject any portion of the Common Elements to a Security Interest except in accordance with CCIOA; and

11.2.2. The right of the Association to take such steps as are reasonably necessary to protect the Common Elements against foreclosure; and

11.2.3. The right of the Association to promulgate and publish standards, guidelines, rules and regulations, with which each Member shall strictly comply, including, but not limited to, the right to regulate and/or restrict vehicular parking and Improvements; and

11.2.4. The right of the Association to suspend the voting rights of a Member for any period during which any Assessment against his Unit remains unpaid and, for a period not to exceed sixty (60) days, for any infraction of the Association Bylaws or the rules and regulations of the Association; and

11.2.5. The right of the Association to dedicate or transfer all or any part of the Common Elements to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such dedication or transfer shall be effective unless the same is done in accordance with CCIOA. Notwithstanding the foregoing, the granting of permits, licenses and easements for public utilities, roads or for other purposes reasonably necessary or useful for the proper maintenance or operation of the Community shall not be deemed a transfer within the meaning of this subsection; and

11.2.6. The right of the Association, through its Board of Directors, to enter into, make, perform or enforce any contracts, leases, agreements, licenses, easements and rights-of-way, for the use of real property or improvements by Owners, other Persons, their family members, guests and invitees, for any purpose(s) the Board of Directors may deem to be useful, beneficial or otherwise appropriate; and

11.2.7. The right of the Association to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

Section 11.3. *Use of Common Elements by Declarant.*

An easement is hereby granted to the Declarant on, over and through the Common Elements as may be reasonably necessary for the purpose of discharging any of Declarant's rights or obligations or exercising any Special Declarant Rights, and no Owner shall engage in any activity which will temporarily or permanently interfere with the Declarant's easements through the Common Elements.

Section 11.4. *Delegation of Use.*

Any Owner may delegate his rights of use of and access over the Common Elements to the members of his family, his tenants, or contract purchasers who reside in his Unit.

Section 11.5. *Limited Common Elements.*

Subject to the terms and provisions of this Declaration, every Owner shall have the right to use and enjoy the Limited Common Elements appurtenant to his Unit, and such right shall be exclusive except as to those other Owners, if any, with a right to use such Limited Common Elements.

Section 11.6. *New Additions to Common Elements.*

The Association shall have the right to construct new additions to the Common Elements. Ownership of any such additions to the Common Elements shall be apportioned among all Units in proportion to the respective undivided interest in the Common Elements appurtenant thereto. The Assessment liability for any such additions to the Common Elements shall be apportioned among all Units as provided in Article 4 of this Declaration (Assessments). The construction of new additions to the Common Elements shall not affect an Owner by way of modification of his voting power in the Association.

Section 11.7. *Conveyance or Encumbrance of Common Elements.*

Portions of the Common Elements may be conveyed or subjected to a Security Interest by the Association only in accordance with CCIOA.

Section 11.8. *Declarant's Right to Reallocate General Common Elements As Limited Common Elements.*

Prior to automatic expiration of the Special Declarant Rights, as provided in Section 1.28 of this Declaration, the Declarant may reallocate any General Common Elements as Limited Common Elements, and may designate the Unit(s) to which such Limited Common Elements are appurtenant. The foregoing shall include, without limitation, any flex garage(s) designated as General Common Elements.

Section 11.9. *Use of Common Elements.*

Subject to the rights of Declarant and the Association as provided in this Declaration, there shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of

the Common Elements except as permitted if such Common Elements are Limited Common Elements. Other than those Improvements erected or installed by Declarant in its completion of the Community, nothing shall be altered on, constructed in or removed from the Common Elements except as provided in this Declaration.

Section 11.10. *Designation of General Common Elements.*

Declarant in recording this Declaration has designated certain areas of land as General Common Elements intended for the common use and enjoyment of Owners for recreation and other related activities. The General Common Elements are not dedicated hereby for use by the general public.

Section 11.11. *Acquiring and Disposing of Real and Personal Property.*

The Association may acquire, own and hold for the use and benefit of all Owners tangible and intangible personal property and real property for such uses and purposes as the Board of Directors may in its discretion deem appropriate from time to time, and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be deemed to be owned by the Owners in the same undivided proportion as their respective undivided interests in the Common Elements. Such beneficial interest of an Owner shall not be transferable except with the transfer of that Owner's Unit. Transfer of a Unit, including transfer pursuant to foreclosure, shall transfer to the transferee ownership of the transferor's beneficial interest in such personal and/or real property without any reference thereto. Each Owner may use such personal and/or real property in accordance with the purposes for which such property is intended and in accordance with such conditions, limitations, restrictions, and rules and regulations as may be placed on any such property by the Board of Directors in its sole discretion from time to time, provided that such use of any Owner shall not hinder or encroach upon the lawful rights of other Owners.

Section 11.12. *Payment of Taxes or Insurance by Security Interest Holders.*

Security Interest Holders shall have the right, jointly or singly, to pay taxes or other charges or assessments which are in default and which may or have become a lien against the Common Elements and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage on the lapse of a policy for the Common Elements, and any Security Interest Holders making any such payments shall be owed immediate reimbursement therefor from the Association.

Section 11.13. *Duty to Accept Property and Facilities Transferred by Declarant.*

The Association shall accept title to all property, including personal property, equipment, and easements, if any, transferred to the Association by the Declarant, together with responsibility to perform all duties and functions of the Association which are set forth in this Declaration or otherwise assumed by the Association (as long as such does not require the Association to perform in a manner that is inconsistent with the duties and functions of the Association as provided in this Declaration or the Articles of Incorporation or Bylaws of the Association).

ARTICLE 12. CONVEYANCE, OWNERSHIP AND TAXATION OF UNITS

Section 12.1. *Contracts Entered into Prior to Recording of Condominium Map and Declaration.*

A contract or other agreement for the sale of a Unit entered into prior to the filing for record of the Condominium Map and/or this Declaration in the office of the Clerk and Recorder of Arapahoe County, Colorado, may legally describe such Unit in the manner set forth in Section 12.2 of this Declaration (Contracts Entered into Subsequent to Recording of Condominium Map and Declaration) and may indicate that the Condominium Map and/or this Declaration are to be recorded. Upon recordation of the Condominium Map and this Declaration in Arapahoe County, Colorado, such description shall be conclusively presumed to describe the corresponding Unit shown on the Condominium Map and such Unit shall be subject in all respects to this Declaration.

Section 12.2. *Contracts Entered into Subsequent to Recording of Condominium Map and Declaration.*

Subsequent to the recording of the Condominium Map and this Declaration, every contract, deed, lease, mortgage, deed of trust, will and every other instrument affecting title to a Unit may legally describe that Unit as follows:

Unit ____, Condominium Building ____, Country Club Ridge Condominiums, according to the Condominium Map thereof, recorded on _____, ____, at Reception No. _____, in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado, and as defined and described in the Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums, recorded on _____, ____, at Reception No. _____ in said records.

Section 12.3. *Legal Effect of Description.*

Every contract, deed, lease, mortgage, deed of trust, will and every other instrument affecting title to a Unit which legally describes said Unit substantially in the manner set forth in Section 12.2 hereof shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect the Unit, including the undivided interest in the Common Elements appurtenant thereto and all other appurtenant properties and property rights, and to incorporate all of the rights, limitations and burdens incident to ownership of a Unit as described in this Declaration and the Condominium Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from each Unit and the use of all the General Common Elements, as well as all of the Limited Common Elements appurtenant to said Unit, all as more fully provided in this Declaration.

Section 12.4. *Taxation.*

Each Unit shall be assessed separately for all taxes, assessments and other charges of the State of Colorado, any political subdivision thereof, any special improvement district, and any other

taxing or assessing authority, in accordance with CCIOA. For the purpose of such assessments, the valuation of the Common Elements shall be apportioned among the Units in proportion to the undivided interest in the Common Elements appurtenant to the Unit in question. The Association shall furnish to the Tax Assessor of Arapahoe County, Colorado, and to all other appropriate persons and authorities, all necessary information with respect to such apportionment. No forfeiture or sale of any Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Unit.

Section 12.5. *Inseparability.*

Each Unit and all Limited Common Elements that are appurtenant thereto, as well as all other appurtenances, rights and burdens connected therewith, shall be inseparable and may be transferred, conveyed, leased, devised, encumbered or otherwise disposed of only as a Unit. Every conveyance, transfer, devise, lease, encumbrance or other disposition of a Unit shall be deemed to be a conveyance, transfer, devise, lease, encumbrance or other disposition, as the case may be, of the entire Unit and all Limited Common Elements that are appurtenant thereto, together with all appurtenant rights, interests, duties and obligations created by law or by this Declaration.

Section 12.6. *Non-Partitionability.*

The Common Elements shall be owned in common by all of the Owners and shall remain undivided and not subject to partition, such that any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Unit to which that interest is allocated is void. By the acceptance of his deed or other instrument of conveyance or assignment, each Owner specifically waives his right to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements. Furthermore, each Owner agrees that this Section may be pleaded as a bar to the maintenance of such an action. Any violation of this Section shall entitle the Association to collect, jointly and severally, from the parties violating the same, the actual attorneys' fees, costs, expenses and all damages that the Association incurs in connection therewith.

ARTICLE 13. MECHANIC'S LIENS

Section 13.1. *Mechanic's Liens.*

No labor performed and/or materials furnished for use and incorporated in any Unit with the consent or at the request of the Owner thereof, his agent, contractor or subcontractor, shall be the basis for the filing of a lien against a Unit of any other Owner not expressly consenting to or requesting the same, or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Individual Air Space of the Owner for whom such labor shall have been performed or such materials furnished. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against any liability or loss arising from the claim of any mechanic's lien against the Unit of any other Owner, the Common Elements, or any part thereof, for labor performed and/or materials furnished in work on the first Owner's Unit.

Section 13.2. *Enforcement by the Association.*

At its own initiative or upon the written request of any Owner or any Security Interest Holder, if the Association determines that further action by it is proper and the mechanic's lien(s) are not disputed claims with a reasonable basis for such dispute, the Association, after notice and hearing, shall enforce the indemnity provided by Section 13.1 hereof by collecting from the Owner of the Unit on which the labor was performed and/or materials furnished, the amount necessary to discharge any such mechanic's lien, including all costs and reasonable attorney's fees incidental thereto, and obtain a discharge of such lien. In the event that the Owner of the Unit on which the labor was performed and/or materials furnished refuses or fails to so indemnify within seven (7) days after the Association shall have given notice to such Owner of the total amount, or any portions thereof, from time to time, to be indemnified, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section and such amount to be indemnified shall be and constitute an additional amount due to the Association from such Owner enforceable by the Association as Assessments.

Section 13.3. *Effect of Part Payment.*

In the event a lien attributable to labor performed and/or materials furnished on the Community, or any portion thereof, is effected against two or more Units, the Owner(s) of any of the affected Units may pay to the lienholder the amount of the lien attributable to such Owner's Unit and the lienholder shall release such Unit from the lien. The amount required to be paid by any such Owner in order to obtain release of his Unit from any such lien shall be equal to the quotient of (i) the amount of the lien divided by (ii) the total number of Units affected by the lien. Partial payment and release of any such lien with respect to any Unit(s) shall not prevent the lienholder from enforcing his rights against the Unit(s) for which payment has not been received.

ARTICLE 14. SECURITY INTERESTS

Section 14.1. *Approval by Members and Security Interest Holders of First Security Interests.*

Notwithstanding any provisions of this Declaration to the contrary, the Association shall not:

14.1.1. except as provided by statute in case of condemnation or substantial loss to the Units and/or Common Elements, unless it has obtained the prior written approval of the Owners (other than the Declarant) casting at least sixty-seven percent (67%) of the Association votes or of those Security Interest Holders holding at least sixty-seven percent (67%) of the First Security Interests (based upon one vote for each First Security Interest owned):

14.1.1.1. by act or omission seek to abandon or terminate the Community;

14.1.1.2. change the pro rata interest or obligations of any Unit in order to levy Assessments or charges, allocate distributions of hazard insurance proceeds or condemnation awards, or determine the pro rata share of ownership of each Unit in

the Common Elements (however, this requirement will be deemed waived to the extent necessary to allow phasing or add-ons in accordance with this Declaration);

14.1.1.3. partition or subdivide any Unit;

14.1.1.4. seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Elements by act or omission. The granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements by the Community is not a transfer within the meaning of this clause. (However, this requirement will be deemed waived to the extent necessary to allow phasing or add-ons, in accordance with this Declaration);

14.1.1.5. use hazard insurance proceeds for losses to any condominium property (whether Units or Common Elements) for other than the repair or replacement of such condominium property.

14.1.2. unless it has obtained the consent of Owners who represent at least sixty-seven percent (67%) of the Association votes, and of Security Interest Holders of First Security Interests who represent at least fifty-one percent (51%) of the Units that are subject to such First Security Interests (and who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of Security Interest Holders of First Security Interests), add or amend any material provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association which govern any of the following, provided that the implied approval of any Security Interest Holder of a First Security Interest shall be assumed if such Security Interest Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after such Security Interest Holder receives proper notice of the proposal delivered by certified or registered mail with a "return receipt" requested:

14.1.2.1. voting rights;

14.1.2.2. increases in Assessments that raise the previously assessed amount by more than twenty-five percent (25%), Assessment liens, or the priority of Assessment liens;

14.1.2.3. reductions in reserves for maintenance, repair, and replacement of Common Elements;

14.1.2.4. responsibility for maintenance and repairs;

14.1.2.5. reallocation of interests in the General Common Elements, Limited Common Elements, or rights to their use;

14.1.2.6. redefinition of any Unit boundaries;

14.1.2.7. convertibility of Units into Common Elements or vice versa;

14.1.2.8. expansion or contraction of the Community, or the addition, annexation or withdrawal of property to or from the Community;

14.1.2.9. hazard or fidelity insurance requirements;

14.1.2.10. imposition of any restrictions on the leasing of Units;

14.1.2.11. imposition of any restrictions on an Owner's right to sell or transfer his or her Unit;

14.1.2.12. repair or replacement of Improvements in the Community (after a damage or partial condemnation) in a manner other than that specified in the Declaration, the Articles of Incorporation, or Bylaws of the Association; or

14.1.2.13. any provisions that expressly benefit Security Interest Holders, or insurers or guarantors of Security Interests.

Section 14.2. *Termination of Legal Status.*

Any action to terminate the legal status of the Community after substantial destruction or condemnation occurs shall be agreed to by Owners who represent at least sixty-seven percent (67%) of the Association votes and by Security Interest Holders of First Security Interests who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of Security Interest Holders of First Security Interests and who represent at least fifty-one percent (51%) of the Units that are subject to such First Security Interests. Termination of the legal status of the Community for reasons other than substantial destruction or condemnation of the Community shall be permitted if agreed to by Security Interest Holders of First Security Interests who have submitted a written request that the Association notify them of any proposed action requiring the consent of a specified percentage of such Security Interest Holders of First Security Interests and who represent at least sixty-seven percent (67%) of the Units subject to First Security Interests.

Section 14.3. *Notice of Action.*

Upon written request to the Association, identifying the name and address of the Security Interest Holder of a First Security Interest or insurer or guarantor of the First Security Interest, and the residence address of the Unit which is subject to such First Security Interest, each Security Interest Holder of a First Security Interest, or insurer or guarantor of a First Security Interest, shall be entitled to timely written notice of:

14.3.1. any condemnation loss or casualty loss which affects either a material portion of the Community or any Unit subject to a First Security Interest held, insured or guaranteed by such Security Interest Holder, insurer or guarantor of a First Security Interest;

14.3.2. any delinquency in the payment of Assessments by the Owner of the Unit subject to a First Security Interest held, insured or guaranteed by such Security Interest Holder, insurer or guarantor, when such delinquency remains uncured for a period of sixty (60) days;

14.3.3. any lapse, cancellation or material modification of any insurance policy maintained by the Association; and

14.3.4. any proposed action that requires the consent of a specified percentage of Security Interest Holders of First Security Interests as provided in this Article.

Section 14.4. *Audit.*

At any time after the date when the Community includes at least fifty (50) Units, the Association shall provide an audited statement for the preceding fiscal year to any Security Interest Holder of a First Security Interest, insurer or guarantor of any such First Security Interest, who submits a written request for such audit; and such audit shall be made available within one hundred twenty (120) days of the Association's fiscal year end. When the Community consists of fewer than fifty (50) Units and there is not an audited statement available, any Security Interest Holder of a First Security Interest will be allowed to have an audited statement prepared at its own expense.

Section 14.5. *No Priority Over Rights of Security Interest Holders of First Security Interests.*

No provision of this Declaration, the Articles of Incorporation, or Bylaws of the Association give (or are intended to give) any Owner, or any other party, priority over any rights of the Security Interest Holder of a First Security Interest, pursuant to its First Security Interest, in the case of payment to the Owner of insurance proceeds or condemnation awards for losses to or taking of Units and/or Common Elements.

ARTICLE 15. DISPUTE RESOLUTION

Section 15.1. *Intent of Article; Applicability of Article; and Applicability of Statutes of Limitation.*

15.1.1. Each Party (as defined below) agrees to encourage the amicable resolution of disputes, without the emotional and financial costs of litigation. Accordingly, each Party covenants and agrees to submit all Claims (as defined below) each alleges to have to the procedures set forth in this Article and not to a court of law.

15.1.2. By acceptance of a deed for a Unit, each Owner agrees to abide by the terms of this Article.

15.1.3. No Claim (as defined below) may be initiated after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitation or statute of repose.

Section 15.2. *Definitions Applicable to this Article.*

For purposes of this Article only, the following terms have the meanings set forth in this Section:

15.2.1. "AAA" means the American Arbitration Association.

15.2.2. "Claimant" means any Party having a Claim.

15.2.3. "Claim" means, except as excluded or exempted by the terms of this Article, any claim, grievance or dispute between one Party and another, regardless of how the same may have arisen or on what it might be based, including without limitation those arising out of or related to (i) the interpretation, application or enforcement of any of the Governing Documents or the rights, obligations and duties of any Party under any of the Governing Documents; (ii) the design or construction of Improvements; or (iii) any statements, representations, promises, warranties, or other communications made by or on behalf of any Party.

15.2.4. "Governing Documents" means this Declaration, the Articles of Incorporation of the Association, the Bylaws of the Association, and any rules and regulations and design guidelines adopted by the Board of Directors.

15.2.5. "Inspecting Party" means a Party causing an inspection of the Subject Property to be made.

15.2.6. "Party" means each of the following: Declarant, its officers, directors, partners, members, employees and agents; the Association, its officers, directors and committee members; all Persons subject to this Declaration; any builder, its officers, directors, partners, members, employees and agents; and any Person not otherwise subject to this Declaration who agrees to submit to this Article.

15.2.7. "Respondent" means any Party against whom a Claimant asserts a Claim.

15.2.8. "Subject Property" means the property being inspected pursuant to the inspection right provided in Section 15.7 of this Declaration (Right to Inspect).

15.2.9. "Termination of Mediation" means a period of time expiring thirty (30) days after a mediator has been agreed upon by the Parties (however, a mediator shall be selected no later than forty-five (45) days after the Claimant has given notice to the Respondent of the Claim and if the Parties are unable to agree on a mediator, one shall be chosen by the AAA) and the matter has been submitted to mediation (or within such other time as determined by the mediator or agreed to by the Claimant and Respondent) and upon the expiration of which the Claimant and Respondent have not settled the Claim.

Section 15.3. *Approval Required for Association Actions.*

Except as provided in Section 15.6 of this Declaration (Exclusions from "Claim"), the approval of seventy-five percent (75%) of a quorum (as provided in Section 15.4 of this Declaration (Notice and Quorum for Association Actions)) of the Association votes cast by Members voting in person or by proxy at a meeting duly called for this purpose, or voting pursuant to written ballot, must be obtained before the Association shall have the power to institute action on any Claim pursuant to this Article, or to make any counterclaim or cross-claim in any lawsuit or other action

brought against the Association. Such approval must be obtained in accordance with the requirements of Section 15.4 of this Declaration (Notice and Quorum for Association Actions).

Section 15.4. *Notice and Quorum for Association Actions.*

Written notice of any meeting of Members which includes a vote pursuant to Section 15.3 of this Declaration (Approval Required for Association Actions) shall be sent to all Members not less than thirty (30) days nor more than fifty (50) days in advance of the meeting. Such written notice, or if the vote is to be by written ballot then such written ballot, shall include the following information:

15.4.1. A statement regarding the nature of the Claim. Such statement shall include, without limitation, the name(s) of the proposed Respondent(s), the basis and reason for the Claim, and any other information necessary to adequately explain the nature of the proposed Claim; and

15.4.2. A good-faith estimate of the costs and fees, including the fees of consultants, expert witnesses and attorneys, reasonably anticipated to be incurred by or for the Association in prosecuting the Claim, with such estimate prepared by the primary attorney the Board proposes to have prosecute the Claim on its behalf; and

15.4.3. A statement advising Members that the costs and fees of prosecuting any Claim may substantially increase the amount of Assessments payable by the Owners to the Association; and

15.4.4. A good-faith estimate of the manner in which any monies recovered from the Claim will be distributed or paid to consultants, expert witnesses, the Association, its attorney(s) and any others, prepared by the primary attorney the Board proposes to have prosecute the Claim on its behalf; and

15.4.5. A good faith estimate of the projected time frame for resolution of the Claim; and

15.4.6. All terms and provisions of the agreement between the Association and the attorney(s) the Board proposes to have prosecute the Claim.

The presence of Members or of proxies, or if by ballot then receipt by the Association of written ballots, entitled to cast seventy-five percent (75%) of all of the Association votes, shall constitute a quorum at any meeting at which the Members vote on approval of any Claim the Association wishes to bring.

Section 15.5. *Required Form of Proxy or Ballot.*

Each written proxy, and each ballot, which purports to vote on, or authorize a vote on, approval of the Association bringing a Claim shall contain the following statement:

Despite the fact that my annual Assessments may be significantly increased by the costs and fees associated with the proposed claim, I/we APPROVE the authority of the Association to bring such claim.

Section 15.6. Exclusions from "Claim".

Unless specifically exempted by this Article, all Claims between any of the Parties shall be subject to the provisions of this Article. Notwithstanding the foregoing, unless all Parties thereto otherwise agree, "Claim" does not include the following, whether such are brought by lawsuit, counterclaim or cross-claim and the same shall not be subject to the provisions of this Article:

15.6.1. An action by the Association to enforce any provision of Article 4 of this Declaration (Assessments); and

15.6.2. An action by the Association to obtain a temporary restraining order or injunction (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to enforce any of the provisions of Article 10 of this Declaration (Restrictions) or of Article 5 of this Declaration (Architectural Review); and

15.6.3. any suit between or among Owners, which does not include Declarant or the Association as a Party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents; and

15.6.4. any suit in which any indispensable party is not a Party.

Section 15.7. Right to Inspect.

Prior to any Party commencing any proceeding to which another Party is a party, including but not limited to an alleged defect of any Improvement, the Respondent shall have the right to be heard by the Claimant and, if any Claimant is the Association, by the Members, and to access, inspect, correct the condition of, or redesign any portion of any Improvement as to which a defect is alleged or otherwise correct the alleged defect; provided, however, any correction to, or redesign of, an Improvement shall be made upon terms and conditions acceptable to all affected Parties. In the exercise of the inspection rights contained herein, the Inspecting Party shall:

15.7.1. Be careful to avoid unreasonable intrusion upon, or harm, damage or costs to the affected Party including, without limitation, using its best efforts to avoid causing any damage to, or interference with, any Improvements to the Subject Property;

15.7.2. Minimize any disruption or inconvenience to any person who occupies the Subject Property;

15.7.3. Remove daily all debris caused by the inspection and located on the Subject Property; and

15.7.4. In a reasonable and timely manner, at the sole cost and expense of the Inspecting Party, promptly remove all equipment and materials from the Subject Property and repair and replace all damage, and restore the Subject Property to the condition of the

Subject Property as of the date of the inspection unless the Subject Property is to be immediately repaired.

The Inspecting Party shall not permit any lien, claim or other encumbrance arising from the exercise of its right to inspect to accrue against or attach to the Subject Property. The Inspecting Party shall indemnify, defend, and hold harmless the affected Owners and their tenants, guests, employees and agents, against any and all liability, claims, demands, losses, costs and damages incurred, including court costs and attorneys' fees, resulting from any breach of this Section by the Inspecting Party.

Section 15.8. Mandatory Procedures.

15.8.1. *Good Faith Negotiations.* The Parties shall make every reasonable effort to meet in person and confer for the purposes of resolving the Claim by good faith negotiation. Any Party may be represented by attorneys and independent consultants to assist such Party in negotiations and to attend meetings.

15.8.2. *Notice.* Prior to proceeding with any claim against a Respondent, each Claimant shall give a notice to each Respondent, which notice shall state plainly and concisely:

15.8.2.1. the nature of the Claim, including all persons involved and Respondent's role in the Claim;

15.8.2.2. the legal or contractual basis of the Claim (i.e., the specific authority out of which the Claim arises); and

15.8.2.3. the specific relief and/or proposed remedy sought.

15.8.3. *Mediation.*

15.8.3.1. If the Parties do not resolve the Claim through negotiations within thirty days after submission of the Claim to the Respondent(s), Claimant shall have an additional thirty (30) days to submit the Claim to mediation under the auspices of the AAA in accordance with the AAA's Commercial or Construction Industry Mediation Rules, as appropriate.

15.8.3.2. If Claimant does not submit the Claim to mediation within such time, or does not appear for the mediation, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to any person other than the Claimant.

15.8.3.3. Any settlement of the Claim through mediation shall be documented in writing by the mediator and signed by the Parties. If a Termination of Mediation occurs, the mediator shall issue a notice of Termination of Mediation.

The Termination of Mediation notice shall set forth that the Parties are at an impasse and the date that mediation was terminated.

15.8.3.4. Each Party shall bear its own costs of the mediation, including attorneys' fees, and each Party shall share equally all charges rendered by the mediator.

15.8.3.5. If the Parties agree to a resolution of any Claim through negotiation or mediation in accordance with Section 15.8.3 and any Party thereafter fails to abide by the terms of such agreement, then any other Party may file suit or initiate arbitration proceedings to enforce such agreement without the need to again comply with the procedures set forth in Section 15.8 of this Declaration (Mandatory Procedures). In such event, the Party taking action to enforce the agreement shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement, including without limitation, attorneys' fees and court costs.

15.8.4. *Binding Arbitration.*

15.8.4.1. Upon Termination of Mediation, if Claimant desires to pursue the Claim, Claimant shall thereafter be entitled to initiate final, binding arbitration of the Claim under the auspices of the AAA in accordance with the AAA's Commercial or Construction Industry Arbitration Rules, as appropriate. Any judgment upon the award rendered by the arbitrator may be entered in and enforced by any court having jurisdiction over such Claim. Unless otherwise mutually agreed to by the Parties to the Claim, there shall be one arbitrator who, to the extent feasible, shall have expertise in the area(s) of dispute, which may include legal expertise if legal issues are involved.

15.8.4.2. Each Party shall bear its own costs and expenses and an equal share of the arbitrator's and administrative fees of arbitration. Notwithstanding the foregoing, if a Party unsuccessfully contests the validity or scope of arbitration in a court of law, the arbitrator or the court shall award reasonable attorneys' fees and expenses incurred in defending such contests, including those incurred in trial or on appeal, to the non-contesting Party. All decisions respecting the arbitrability of any Claim shall be decided by the arbitrator.

15.8.4.3. The award of the arbitrator shall be accompanied by detailed written findings of fact and conclusions of law. Except as may be required by law or for confirmation of an award, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration without the prior written consent of all parties to the Claim.

Section 15.9. *Liability for Failure of Association to Maintain an Action.*

No director or officer of the Association shall be liable to any person for failure to institute or maintain or bring to conclusion a cause of action, mediation or arbitration for a Claim if the

following criteria are satisfied: (i) the director or officer was acting within the scope of such director or officer's duties; (ii) the director or officer was not acting in bad faith; and (iii) the act or omission was not willful, wanton or grossly negligent.

Section 15.10. *Severability.*

All provisions of this Article are severable. Invalidation of any of the provisions of this Article, by judgment, court order or otherwise, shall in no way affect or limit any other provisions of this Article which shall remain in full force and effect.

Section 15.11. *Amendment.*

Notwithstanding anything to the contrary contained in this Declaration, this Article 15 shall not be amended unless such amendment is approved by Members to which at least eighty percent (80%) of the votes in the Association are allocated.

ARTICLE 16. GENERAL PROVISIONS

Section 16.1. *Enforcement.*

16.1.1. Enforcement of the covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation, Bylaws or rules and regulations of the Association, as amended, may be by any proceeding at law or in equity against any Person(s) violating or attempting to violate any such provision. Except as otherwise provided in this Declaration, the Association and any aggrieved Owner shall have the right to institute, maintain and prosecute any such proceedings subject to Article 15 of this Declaration (Dispute Resolution). Remedies for violation(s) of the Declaration, the Articles of Incorporation, Bylaws, rules, regulations, standards and/or guidelines of the Association shall be cumulative and no remedy shall be exclusive of other remedies that may be available. In any action instituted or maintained under this Declaration, the prevailing party shall be entitled to recover its costs and attorney fees incurred in asserting or defending the claim, as well as any and all other sums. Failure by the Association or any Owner to enforce any covenant, restriction or other provision herein contained, or any other provision of any of the aforesaid documents, shall in no event be deemed a waiver of the right to do so thereafter.

16.1.2. Subject to the following sentence, the Association shall have the right to levy and collect fines (as provided in Article 4 of this Declaration (Assessments)) for the violation of any provision of any of the aforesaid documents. Prior to collection of any fines, the Association, the Board of Directors, or an authorized management company of the Association, shall mail a notice of violation to the Person(s) alleged to be in violation of any such provision and such notified Person(s) has a right to a hearing upon submission to the Board of Directors of a written request for hearing, which is properly signed by such Person(s) and dated, within ten (10) days after the notice of violation has been mailed or such other time as the Board of Directors may decide in its discretion from time to time;

failure of a notified Person to request for hearing in writing within the required time period shall constitute a waiver of such right to a hearing.

Section 16.2. *Severability.*

All provisions of this Declaration, the Articles of Incorporation and Bylaws of the Association are severable. Invalidation of any of the provisions of any such documents, by judgment, court order or otherwise, shall in no way affect or limit any other provisions which shall remain in full force and effect.

Section 16.3. *Conflict of Provisions.*

In the 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 16.4. *Annexation; Withdrawal.*

16.4.1. Additional property may be annexed to this Declaration with the consent, at the time such annexation is to be effective, of Members casting sixty-seven percent (67%) of the Association votes and with the consent, at the time such annexation is to be effective, of the owner of the property to be annexed.

16.4.2. Notwithstanding the foregoing, the Declarant may annex to this Declaration the Annexable Area, or any portion(s) thereof, until seven (7) years after recording of this Declaration, without consent of any other Owners, Security Interest Holders, or any other Person; however, such annexation is subject to a determination by HUD or VA (if the Declarant desires to attempt to obtain HUD or VA approval of the property being annexed and if HUD or VA require such approval) that the annexation is in accord with the general plan approved by them and that the structures to be located thereon will be of comparable style, quality, size and cost to the existing Improvements. Each such annexation shall be effected, if at all, by recording an Annexation of Additional Land in Arapahoe County, Colorado, which document:

16.4.2.1. shall provide for annexation to this Declaration of the property described in such Annexation of Additional Land;

16.4.2.2. shall state that the Declarant (or other Person(s)) is the owner of the Units thereby created, if any;

16.4.2.3. shall assign an identifying number to each new Unit, if any;

16.4.2.4. shall describe any Common Elements within the property being annexed;

16.4.2.5. shall, if the annexed property includes one (1) or more Units, reallocate the Allocated Interests among all Units; and

16.4.2.6. may include such other provisions as the Declarant deems appropriate. Other provisions that may be included in an Annexation of Additional Land include, without limitation, covenants, conditions, restrictions, requirements and/or other provisions, in addition to or different from those contained elsewhere in this Declaration, that apply or will apply to some or all of the property that is thereby being annexed to this Declaration. Any of such other provisions referenced in this subsection may be amended with the consent of the Owners of sixty-seven percent (67%) of the Units to which such other provisions apply.

16.4.3. All provisions of this Declaration including, but not limited to, those provisions regarding obligations to pay Assessments to the Association and any right to cast votes as Members, shall apply to Units in the annexed property immediately upon the effective date of the Annexation of Additional Land (which shall constitute the date of recording of the Annexation of Additional Land unless otherwise stated therein), unless and to the extent any provisions of this Declaration are, as to the annexed property or any portion thereof, changed or deleted by such Annexation of Additional Land.

16.4.4. Each Person who acquires any property within the Annexable Area after the date of recording hereof, will have agreed pursuant to applicable documents that such property will be governed by this Declaration. The Declarant, therefore, reserves the right (but not the obligation) during the time period set forth in Section 1.28 of this Declaration (Special Declarant Rights) to annex the such property to the Declaration without further authorization from the Person who has purchased such property, even if such annexation occurs subsequent to conveyance of the property by Declarant.

16.4.5. The property which is described on the attached Exhibit A and each portion of the Community which is annexed to this Declaration, as provided in the preceding subsections, shall constitute a portion of the Community which is subject to a right of withdrawal by the Declarant. Such withdrawal may be accomplished, if at all, in accordance with this Declaration and CCIOA. Such right of withdrawal shall expire upon the automatic termination provided in Section 1.28 of this Declaration (Special Declarant Rights).

Section 16.5. *Declarant's Use.*

Notwithstanding anything to the contrary contained in this Declaration: Declarant hereby reserves a right and easement to perform development, construction, reconstruction, repair and warranty work on the property described on the attached Exhibits A and D; it shall be expressly permissible and proper for Declarant and its employees, agents and contractors, to perform such reasonable activities, and to maintain upon portions of the Community such facilities, as Declarant deems reasonably necessary or incidental to the construction and sale of Units, and development and construction of Improvements, specifically including, without limiting the generality of the foregoing, maintaining management offices, signs, model units, construction offices, trailers and sales offices, in such numbers, of such sizes, and at such locations as Declarant may determine from time to time in its reasonable discretion. Nothing contained in the Declaration shall limit the right of the Declarant or require Declarant to obtain approvals: (a) to excavate, cut, fill or grade any property owned by Declarant or to construct, alter, demolish or replace any Improvements; (b) to

use any structure on any property as a construction or management office, model, or sales or leasing office, in connection with the development, construction or sale of any property; and/or (c) to require Declarant to seek or obtain the approval of the Board of Directors or of the Association for any activity or Improvement by Declarant on any property owned by Declarant. Notwithstanding the foregoing, Declarant shall not perform any activity or maintain any facility on any portion of the Community in such a way as to unreasonably interfere with or disturb any Owner, or to unreasonably interfere with the use, enjoyment or access of such Owner, his family members, guests or invitees, of and to his Unit and to a public right-of-way. Any real estate used as a sales office, management office, construction office or a model shall be a Unit or Common Elements, as such property is designated in the document(s) annexing such property to this Declaration. As permitted by Section 216(1) of CCIOA, the Declarant hereby reserves for itself and its guests an easement through the Common Elements for access to, from and incidental to the use of, any property now or hereafter used as sales offices, management offices, model units, or for the location of trailers used as construction or sales offices.

Section 16.6. *Duration, Revocation, and Amendment.*

16.6.1. Each and every provision of this Declaration shall run with and bind the land perpetually from the date of recording of this Declaration. Except as provided in Article 15 of this Declaration, or elsewhere in this Declaration, this Declaration may be amended by the vote or agreement of Members holding more than sixty-seven percent (67%) of the Association votes; provided, however, that as long as Declarant owns any portion of the property described on the attached Exhibits A and D, no amendment of this Declaration shall be effective without the vote or agreement of more than ninety percent (90%) of the Association votes.

16.6.2. Every amendment, if any, to the Declaration must be done in compliance with CCIOA.

16.6.3. Except as to amendments which may be made by the Declarant, amendments to the Declaration may be prepared, executed, recorded, and certified by any officer of the Association designated for that purpose or, in the absence of designation, by the president of the Association. Such certification shall, in the case of an amendment requiring the approval of Owners and/or Security Interest Holders of First Security Interests, certify that the Association has received the requisite approvals. Amendments to this Declaration, which may be made by the Declarant pursuant to this Declaration, or as permitted by CCIOA, may be signed by the Declarant and shall require no other signatory.

16.6.4. Notwithstanding anything to the contrary contained in this Declaration, this Declaration may be amended in whole or in part, at any time from time to time, by the Declarant without the consent or approval of any other Owner, any Security Interest Holder, or any other Person, in order to correct clerical, typographical or technical errors, which right of amendment shall expire and terminate as provided in Section 1.28 of this Declaration (Special Declarant Rights).

16.6.5. Notwithstanding anything to the contrary contained in this Declaration, this Declaration may be amended in whole or in part, at any time from time to time, by the

Declarant without the consent or approval of any other Owner, any Security Interest Holder, or any other Person, in order to comply with the requirement, standards, or guidelines of any of the Agencies or any recognized secondary mortgage markets, which right of amendment shall expire and terminate as provided in Section 1.28 of this Declaration (Special Declarant Rights).

Section 16.7. *Registration of Mailing Address.*

Each Owner and each Security Interest Holder, insurer or guarantor of a Security Interest, shall register his mailing address with the Association, and except for annual statements and other routine notices, all other notices or demands intended to be served upon an Owner, or upon a Security Interest Holder, insurer or guarantor of a Security Interest, shall be sent by either registered or certified mail, postage prepaid, addressed in the name of such Person at such registered mailing address. However, if any Owner fails to notify the Association of a registered address, then any notice or demand may be delivered or sent, as aforesaid, to such Owner at the address of such Owner's Unit. All notices, demands, or other notices intended to be served upon the Board of Directors or the Association during the 75% Control Period shall be sent by registered or certified mail, postage prepaid, to Stoneridge Development Company, P. O. Box 370953, Denver, Colorado 80237, unless such address is changed by the Association during the 75% Control Period; subsequent to termination of the 75% Control Period, the Association shall notify the Owners of a different address for notices.

Section 16.8. *HUD or VA Approval.*

During the 75% Control Period, the following actions shall require the prior approval of HUD or VA if, at the time any such action is taken, HUD has insurance or VA has a guarantee(s) on one or more First Security Interests, and HUD or VA require their approval of the action: annexation of additional real property; amendment of this Declaration, except as provided in Sections 16.6.4 and 16.6.5 of this Declaration; dedication of Common Elements; termination of this Community; or merger or consolidation of the Association.

Section 16.9. *Transfer of Special Declarant Rights.*

A Special Declarant Right created or reserved under this Declaration may be transferred only by an instrument evidencing the transfer recorded in every county in which any portion of the Community is located, and in accordance with CCIOA.

Section 16.10. *Eminent Domain.*

The taking by eminent domain of a Unit(s) or Common Element(s), or any portion thereof, shall be done in accordance with applicable law, including without limitation CCIOA.

Section 16.11. *Termination of Community.*

The Community may be terminated only in accordance with CCIOA.

Section 16.12. *Limitation on Liability.*

The Association, the Board of Directors, the Declarant, and any officer, director, member, partner, agent or employee of any of the same, shall not be liable to any Person for any action or for any failure to act unless the action or failure to act was not in good faith and was done or withheld with malice. The release and waiver set forth in Section 16.16 shall apply to this Section.

Section 16.13. *No Representations or Warranties.*

No representations or warranties of any kind, express or implied, shall be deemed to have been given or made by the Association, the Board of Directors, the Declarant, and any officer, director, member, partner, agent or employee of any of the same, in connection with any portion of the Community, or any Improvement, its or their physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, unless and except as shall be specifically set forth in writing. The release and waiver set forth in Section 16.15 shall apply to this Section.

Section 16.14. *Disclaimer Regarding Safety.*

DECLARANT, THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE COMMUNITY. BY ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION, THE BOARD OF DIRECTORS, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED HEREIN, OR IN THE ARTICLES OF INCORPORATION, BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE COMMUNITY. THE RELEASE AND WAIVER SET FORTH IN SECTION 16.15 SHALL APPLY TO THIS SECTION.

Section 16.15. *Waiver.*

By acceptance of a deed to a Unit, each Owner hereby releases, waives, and discharges the Declarant, the Association, the Board of Directors, and their respective officers, directors, members, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazard, disclosure or risk set forth in this Declaration, including without limitation, those provided for in Sections 16.12, 16.13 and 16.14.

Section 16.16. Headings.

This Article, Section and subsection headings in this Declaration are inserted for convenience of reference only, do not constitute a part of this Declaration, and in no way define, describe or limit the scope or intent of this Declaration or any of the provisions hereof.

Section 16.17. Gender.

Unless the context requires a contrary construction, the singular shall include the plural and the plural the singular and the use of any gender shall be applicable to all genders.

Section 16.18. Run with Land; Binding upon Successors.

The benefits, burdens and all other provisions contained in this Declaration shall be covenants running with and binding upon the Community and all real property and Improvements which are now or hereafter a part thereof. The benefits, burdens and all other provisions contained in this Declaration shall be binding upon, and inure to the benefit of the Declarant, the Association and all Owners, and upon and to their respective heirs, personal representatives, successors and assigns.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set his hand and seal this 30 day of March, 2004.

DECLARANT:

STONERIDGE DEVELOPMENT COMPANY,
LLC, a Colorado limited liability company

By: Gary Wenger
Title: Manager

STATE OF COLORADO)
CITY AND COUNTY OF Douglas) ss.

The foregoing instrument was acknowledged before me this 30 day of March, 2004, by Gary Wenger as Manager of STONERIDGE DEVELOPMENT COMPANY, LLC, a Colorado limited liability company.

Witness my hand and official seal.

(S-E A-L)

[Signature]

Notary Public

My Commission expires: MY COMMISSION EXPIRES August 14, 2007

EXHIBIT A
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS

(Community)

A PARCEL OF LAND SITUATED IN THE NORTHEAST ONE-QUARTER OF SECTION 25, T4S, R67W, OF THE 6TH P.M., ARAPAHOE COUNTY, COLORADO, BEING A PART OF LOT 1, BLOCK 1, HEATHER RIDGE RACQUET CLUB SUBDIVISION FILING NO. 1, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF EAST ILIFF AVENUE FROM WHENCE THE SOUTHWEST CORNER OF THE NORTHEAST CORNER OF SAID SECTION 25 BEARS S81°22'59"W, A DISTANCE OF 688.65 FEET;

THENCE N88°52'15"W ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 153.75 FEET TO A POINT OF CURVATURE;

THENCE 78.54 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT CONTAINING A RADIUS OF 50.00 FEET AND AN INTERIOR ANGLE OF 90°00'00" TO A POINT ON THE EASTERLY RIGHT OF WAY LINE OF SOUTH VAUGHN WAY;

THENCE N01°07'45"E ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 156.01 FEET TO A POINT OF CURVATURE;

THENCE 19.09 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT CONTAINING A RADIUS OF 231.16 FEET AND AN INTERIOR ANGLE OF 04°56'00" TO A POINT;

THENCE DEPARTING SAID EASTERLY RIGHT OF WAY LINE S88°52'16"E, A DISTANCE OF 15.72 FEET TO A POINT OF CURVATURE;

THENCE 23.22 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT CONTAINING A RADIUS OF 43.00 FEET AND AN INTERIOR ANGLE OF 30°56'29" TO A POINT;

THENCE S57°55'47"E, A DISTANCE OF 194.41 FEET TO A POINT;

THENCE S01°06'39"W, A DISTANCE OF 119.81 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 36090 SQUARE FEET OR 0.8285 ACRES OF LAND, MORE OR LESS.

EXHIBIT B
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS

(Allocated Interests)

<u>Unit</u>	<u>Condominium Building</u>	<u>Allocated Interests and Undivided Interest in the Common Elements Appurtenant to the Unit*</u>
101	Building 2280	1/8
102	Building 2280	1/8
103	Building 2280	1/8
104	Building 2280	1/8
201	Building 2280	1/8
202	Building 2280	1/8
203	Building 2280	1/8
204	Building 2280	1/8

* The Allocated Interest, and undivided interest in the Common Elements, that are allocated or appurtenant to each Unit are subject to change as more fully provided in the Declaration, including without limitation Section 16.4 thereof.

EXHIBIT C
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS

(Certain Title Exceptions)

If recorded, the following documents are recorded in the office of the Clerk and Recorder of Arapahoe County, Colorado:

1. Real property taxes and assessments for the year of recording of this Declaration and subsequent years, not yet due and payable.
2. Encroachment of Improvements of Brookshire Downs at Heather Ridge onto subject property, as disclosed by Condominium Map recorded in Book 39 at Page 10.
3. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded May 2, 1971 in Book 1924 at Page 686.
4. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded July 27, 1971 in Book 1944 at Page 508.
5. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded December 15, 1979 in Book 1899 at Page 364.
6. Easement as granted to the Colorado Interstate Gas Company over the Northeast 1/4 of Section 25, Township 4 South, Range 67 West, recorded October 17, 1947 in Book 591 at Page 160 and as limited by partial release recorded June 23, 1966 in Book 1671 at Page 392.
7. All rights to any and all minerals, ore and metal of any kind and character, and all coal, asphaltum, oil, gas and other like substances in or under the land, the rights of ingress and egress for the purpose of mining, together with enough of the surface of the same as may be necessary for the proper and convenient working of such minerals and substances, as reserved in Patent from the State of Colorado, recorded May 28, 1917 in Book 96 at Page 348.
8. Easement as granted to the City of Aurora, recorded June 29, 1971 in Book 1937 at Page 168.

9. Agreement regarding Country Club Membership recorded January 6, 1983 in Book 3770 at Page 83 and any leases that may affect subject property as disclosed thereby.
10. Agreement regarding Country Club Memberships recorded January 15, 1982 in Book 3563 at Page 628 and any leases that may affect subject property as disclosed thereby.
11. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded May 23, 1977 in Book 2591 at Page 324.
12. Covenants and Easement Agreement recorded December 30, 1976 in Book 2534 at Page 633.
13. Easement as granted to the City of Aurora in instrument recorded August 25, 1976 in Book 2486 at Page 417.
14. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded January 29, 1973 in Book 2096 at Page 662.
15. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded May 3, 1973 in Book 2124 at Page 594.
16. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded January 29, 1973 in Book 2096 at Page 619.
17. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded March 9, 1972 in Book 2000 at Page 387.
18. Easement as granted to the City of Aurora recorded June 15, 1977 in Book 2602 at Page 165 and amended and supplemented by amended easement recorded September 27, 1977 in Book 2656 at Page 670.
19. Easement as granted to the City of Aurora recorded June 15, 1977 in Book 2602 at Page 162.
20. The effect of that certain Planned Unit Development for Heather Ridge Racquet Club recorded May 27, 1980 at Reception No. 1968829.

21. Easements, notes, conditions and restrictions as shown on the recorded plat of Heather Ridge Racquet Club Subdivision Filing No. 1, recorded June 11, 1980 at Reception No. 1972804.
22. Drainage easement 20 feet in width traversing Lot 1, Block 1, Heather Ridge Filing No. 1, as shown on the plat.
23. Terms, conditions and provisions contained in covenant recorded May 5, 1972 in Book 2016 at Page 216.
24. Terms, conditions and provisions contained in covenant recorded May 5, 1972 in Book 2016 in Page 239.
25. Terms, conditions and provisions contained in covenant recorded May 5, 1972 in Book 2016 at Page 254.
26. Terms, conditions and provisions contained in covenant recorded June 1, 1972 in Book 2023 at Page 370.
27. Terms, conditions and provisions contained in Agreement recorded November 20, 1972 in Book 2077 age Page 169.
28. Terms, conditions and provisions contained in Agreement recorded November 20, 1972 in Book 2077 age Page 153.
29. Covenant pertaining to overflight of aircraft as contained in instrument recorded August 10, 1972 in Book 2046 at Page 253.
30. Terms, conditions and provisions contained in Agreement recorded February 22, 1979 in Book 2941 at Page 670 and recorded March 22, 1979 in Book 2957 at Page 254.
31. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded September 13, 1974 in Book 2274 at Page 658.
32. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded March 17, 1971 in Book 1914 at Page 355.
33. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded February 24, 1972 in Book 1996 at Page 565.

34. An easement for utilities and incidental purposes granted to Public Service Company of Colorado by the instrument recorded January 29, 1973 in Book 2096 at Page 654.
35. Drainage Easement Agreement as reserved in instrument recorded May 29, 2002 at Reception No. B2098874.
36. Terms, agreements, provisions, conditions and obligations as contained in Club Facilities Usage Agreement recorded May 29, 2002 as reception No. B2098875.
37. Easement for Sidewalk Purposes as reserved in instrument recorded February 19, 2003 as Reception No. B3037312.
38. Utility Easement as reserved in instrument recorded February 19, 2003 as Reception No. B3037313.
39. Fire Lane Easement as reserved in instrument recorded February 19, 2003 as Reception No. B3037314.

EXHIBIT D
TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS OF
COUNTRY CLUB RIDGE CONDOMINIUMS

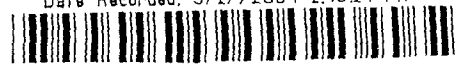
(Annexable Area)

All of the property shown and described on the Plat of Country Club Villas, recorded in the office of the Clerk and Recorder of Arapahoe County, Colorado, as amended, except the property described on Exhibit A to this Declaration.

Return to:
Rechlitz and Senior, LLC
7670 S. Chester St., Ste. 210
Englewood, CO 80112-3479

2100

Arapahoe County Clerk & Recorder, Nancy A. Wiley
Reception #: B4089935
Receipt #: 5201199 Recording Fee: \$21.00
Pages Recorded: 4
Date Recorded: 5/17/2004 1:40:14 PM



**ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS**

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company ("Declarant"), has heretofore executed and caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums, recorded on April 8, 2004, at Reception No. B4063629, in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado (the "Records"), as amended and supplemented from time to time ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined); and

WHEREAS, Section 16.4 of the Declaration permits the annexation of additional land thereto by the Declarant until seven (7) years after recording of the Declaration in the Records, which annexation is permitted by the Declarant without the consent of any other Owners, Security Interest Holders, or any other Person; provided that any such annexations shall be subject to a determination by HUD or VA (if the Declarant desires to attempt to obtain HUD or VA approval of the property being annexed, and if HUD or VA require such approval) that the annexation is in accord with the general plan approved by them and that the structures to be located thereon will be of comparable style, quality, size and cost to the existing Improvements; and

WHEREAS, at the time of recordation of this document, the Declarant's right to annex additional property to the Declaration has not terminated; and

WHEREAS, the Declarant does not seek, at this time, to obtain HUD or VA approval of the property being annexed.

NOW, THEREFORE, as more fully hereinafter provided, the undersigned Declarant hereby annexes to the Declaration that certain property more fully described on Exhibit A attached hereto and incorporated herein by this reference ("Annexed Property"), such that the Annexed Property shall, as more fully hereinafter set forth, be part of the Community and subject to all of the covenants, conditions, restrictions, easements, charges and liens set forth in the Declaration. The Declarant hereby further states and declares as follows:

1. Declarant is the owner of the Units in the Annexed Property.
2. The boundaries of each Unit in the Annexed Property are as shown on the First Supplement to the Condominium Map of Country Club Ridge Condominiums, recorded or to be recorded in the Records ("First Supplement Map"), and the identifying number of each such Unit is listed on Exhibit B attached hereto and incorporated herein by this reference.
3. The Common Elements in the Annexed Property generally consist of all of the Annexed Property except for the Individual Air Space located therein.

RECEIVED IN THIS CONDITION

4. Upon recording in the Records of this Annexation of Additional Land to Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums and also upon recording in the Records of the First Supplement Map, the Annexed Property is deemed to be a part of the Community and subject to all of the provisions of the Declaration, which include without limitation, as to Units, those provisions regarding obligations to pay Assessments to the Association and any rights to cast votes as Members.

5. As provided in the Declaration, the Allocated Interests attributable to each Unit shall be one (1) over the total number of Units subject to the Declaration. After recording in the Records of this document and the First Supplement Map, the Allocated Interest of each Unit shall be as set forth on the attached Exhibit B, except that such Allocated Interests may be decreased if additional Units are annexed to the Declaration.

IN WITNESS WHEREOF, the undersigned Declarant has hereunto set its hand and seal this 13 day of MAY, 2004

STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company

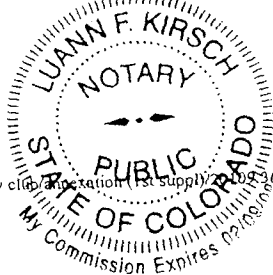
By: Wendy Wanger
Its: Member

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 13th day of May, 2004, by Wendy Wanger as Member of STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

(SEAL)



Luann F. Kirsch
Notary Public
My Commission expires: _____

EXHIBIT A
ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS

(Legal Description)

A PARCEL OF LAND SITUATED IN THE NORTHEAST ONE-QUARTER OF SECTION 25, T4S, R67W, OF THE 6TH P.M., ARAPAHOE COUNTY, COLORADO, BEING A PART OF LOT 1, BLOCK 1, HEATHER RIDGE RACQUET CLUB SUBDIVISION FILING NO. 1, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGINNING AT A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF EAST ILIFF AVENUE FROM WHENCE THE SOUTHWEST CORNER OF THE NORTHEAST CORNER OF SAID SECTION 25 BEARS S81°22'59"W, A DISTANCE OF 688.65 FEET;

THENCE RUNNING THROUGH SAID LOT 1 THE FOLLOWING THREE (3) COURSES;

1. N01°06'39"E, A DISTANCE OF 119.81 FEET TO A POINT OF NONTANGENT CURVATURE;

2. THENCE 44.09 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT CONTAINING A RADIUS OF 29.00 FEET, AN INTERIOR ANGLE OF 87°06'26" HAVING A CHORD DISTANCE OF 39.96 FEET WHICH BEARS N78°31'00"E TO A POINT;

3. N34°57'47"E, A DISTANCE OF 171.39 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 1;

THENCE ALONG SAID EASTERLY LINE, THE FOLLOWING TWO (2) COURSES;

1. S52°52'15"E, A DISTANCE OF 74.59 FEET TO A POINT;

2. S14°52'15"E, A DISTANCE OF 236.21 FEET TO A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF EAST ILIFF AVENUE;

THENCE N88°52'15"W, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 259.85 FEET TO THE POINT OF BEGINNING;

CONTAINING 46097 SQUARE FEET OR 1.0582 ACRES OF LAND, MORE OR LESS.

EXHIBIT B
ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS

(Allocated Interest)

<u>Unit</u>	<u>Condominium Building</u>	<u>Allocated Interests and Undivided Interest in the Common Elements Appurtenant to the Unit*</u>
101	Building 2280	1/16
102	Building 2280	1/16
103	Building 2280	1/16
104	Building 2280	1/16
201	Building 2280	1/16
202	Building 2280	1/16
203	Building 2280	1/16
204	Building 2280	1/16
101	Building 2270	1/16
102	Building 2270	1/16
103	Building 2270	1/16
104	Building 2270	1/16
201	Building 2270	1/16
202	Building 2270	1/16
203	Building 2270	1/16
204	Building 2270	1/16

*The Allocated Interest, and undivided interest in the Common Elements, that are attributable to each Unit are subject to change as more fully provided in the Declaration, including without limitation Section 16.4 thereof.

Reception #: B4139314

Receipt #: 5210663

Recording Fee: \$21.00

Pages Recorded: 4

Date Recorded: 8/5/2004 10:06:10 AM



ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS

1-4

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company ("Declarant"), has heretofore executed and caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums, recorded on April 8, 2004, at Reception No. B4063629, in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado (the "Records"), as amended and supplemented from time to time ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined); and

WHEREAS, Section 16.4 of the Declaration permits the annexation of additional land thereto by the Declarant until seven (7) years after recording of the Declaration in the Records, which annexation is permitted by the Declarant without the consent of any other Owners, Security Interest Holders, or any other Person; provided that any such annexations shall be subject to a determination by HUD or VA (if the Declarant desires to attempt to obtain HUD or VA approval of the property being annexed, and if HUD or VA require such approval) that the annexation is in accord with the general plan approved by them and that the structures to be located thereon will be of comparable style, quality, size and cost to the existing Improvements; and

WHEREAS, at the time of recordation of this document, the Declarant's right to annex additional property to the Declaration has not terminated; and

WHEREAS, the Declarant does not seek, at this time, to obtain HUD or VA approval of the property being annexed.

NOW, THEREFORE, as more fully hereinafter provided, the undersigned Declarant hereby annexes to the Declaration that certain property more fully described on Exhibit A attached hereto and incorporated herein by this reference ("Annexed Property"), such that the Annexed Property shall, as more fully hereinafter set forth, be part of the Community and subject to all of the covenants, conditions, restrictions, easements, charges and liens set forth in the Declaration. The Declarant hereby further states and declares as follows:

1. Declarant is the owner of the Units in the Annexed Property.
2. The boundaries of each Unit in the Annexed Property are as shown on the Second Supplement to the Condominium Map of Country Club Ridge Condominiums, recorded or to be recorded in the Records ("Second Supplement Map"), and the identifying number of each such Unit is listed on Exhibit B attached hereto and incorporated herein by this reference.
3. The Common Elements in the Annexed Property generally consist of all of the Annexed Property except for the Individual Air Spaces located therein.

Rtn to
Rechlitz # Senior
7670 S. Chester
#210

4. Upon recording in the Records of this Annexation of Additional Land to Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums and also upon recording in the Records of the Second Supplement Map, the Annexed Property is deemed to be a part of the Community and subject to all of the provisions of the Declaration, which include without limitation, as to Units, those provisions regarding obligations to pay Assessments to the Association and any right to cast votes as Members.

5. As provided in the Declaration, the Allocated Interests attributable to each Unit shall be one (1) over the total number of Units subject to the Declaration. After recording in the Records of this document and the Second Supplement Map, the Allocated Interest of each Unit shall be as set forth on the attached Exhibit B, except that such Allocated Interests may be decreased if additional Units are annexed to the Declaration.

IN WITNESS WHEREOF, the undersigned Declarant has hereunto set its hand and seal this 25 day of June, 2004.

STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company

By: Wendy Wagner
Its: Member

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 25th day of June, 2004, by Wendy Wagner as Member of STONERIDGE DEVELOPMENT CO, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

(SEAL)

Donna Layton
Notary Public
My Commission expires: 09-29-05

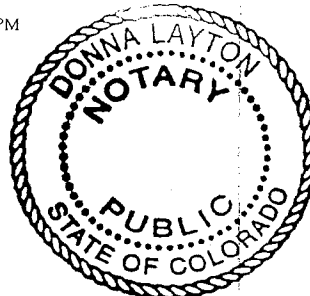


EXHIBIT A
**ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS**

(Legal Description)

A PARCEL OF LAND SITUATED IN THE NORTHEAST ONE-QUARTER OF SECTION 25, T4S, R67W, OF THE 6TH P.M., ARAPAHOE COUNTY, COLORADO, BEING A PART OF LOT 1, BLOCK 1, HEATHER RIDGE RACQUET CLUB SUBDIVISION FILING NO. 1, MORE PARTICULARLY DESCRIBED AS FOLLOWS;

COMMENCING AT A POINT ON THE NORTHERLY RIGHT OF WAY LINE OF EAST ILIFF AVENUE FROM WHENCE THE SOUTHWEST CORNER OF THE NORTHEAST CORNER OF SAID SECTION 25 BEARS S81°22'59"W, A DISTANCE OF 688.65 FEET;

THENCE RUNNING THROUGH SAID LOT 1 N01°06'39"E, A DISTANCE OF 119.81 FEET TO THE POINT OF BEGINNING;

THENCE CONTINUING THROUGH SAID LOT 1 THE FOLLOWING TWO (2) COURSES:

1. N57°55'47"W, A DISTANCE OF 98.04 FEET TO A POINT;
2. N31°50'15"E, A DISTANCE OF 210.68 FEET TO A POINT ON THE EASTERLY LINE OF SAID LOT 1;

THENCE ALONG SAID EASTERLY LINE S52°52'15"E, A DISTANCE OF 137.04 FEET TO A POINT;

THENCE DEPARTING SAID EASTERLY LINE S34°57'47"W, A DISTANCE OF 171.39 FEET TO A POINT OF CURVATURE;

THENCE 44.09 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT, CONTAINING A RADIUS OF 29.00 FEET, AN INTERIOR ANGLE OF 87°06'26" AND A CHORD BEARING S78°31'00"W, A DISTANCE OF 39.96 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL OF LAND CONTAINS 26,703 SQUARE FEET OR 0.6130 ACRES OF LAND, MORE OR LESS.

EXHIBIT B
ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS

(Allocated Interest)

<u>Unit</u>	<u>Condominium Building</u>	<u>Allocated Interests and Undivided Interest in the Common Elements Appurtenant to the Unit*</u>
101	Building 2280	1/24
102	Building 2280	1/24
103	Building 2280	1/24
104	Building 2280	1/24
201	Building 2280	1/24
202	Building 2280	1/24
203	Building 2280	1/24
204	Building 2280	1/24
101	Building 2270	1/24
102	Building 2270	1/24
103	Building 2270	1/24
104	Building 2270	1/24
201	Building 2270	1/24
202	Building 2270	1/24
203	Building 2270	1/24
204	Building 2270	1/24
101	Building 2260	1/24
102	Building 2260	1/24
103	Building 2260	1/24
104	Building 2260	1/24
201	Building 2260	1/24
202	Building 2260	1/24
203	Building 2260	1/24
204	Building 2260	1/24

*The Allocated Interest, and undivided interest in the Common Elements, that are attributable to each Unit are subject to change as more fully provided in the Declaration, including without limitation Section 16.4 thereof.

**ANNEXATION OF ADDITIONAL LAND TO
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF COUNTRY CLUB RIDGE CONDOMINIUMS**

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, STONERIDGE DEVELOPMENT COMPANY LLC, a Colorado limited liability company ("Declarant"), has heretofore executed and caused to be recorded that certain Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums, recorded on April 8, 2004, at Reception No. B4063629, in the records of the office of the Clerk and Recorder of Arapahoe County, Colorado (the "Records"), as amended and supplemented from time to time ("Declaration") (terms which are defined in the Declaration shall have the same meanings herein unless otherwise defined); and

WHEREAS, Section 16.4 of the Declaration permits the annexation of additional land thereto by the Declarant until seven (7) years after recording of the Declaration in the Records, which annexation is permitted by the Declarant without the consent of any other Owners, Security Interest Holders, or any other Person; provided that any such annexations shall be subject to a determination by HUD or VA (if the Declarant desires to attempt to obtain HUD or VA approval of the property being annexed, and if HUD or VA require such approval) that the annexation is in accord with the general plan approved by them and that the structures to be located thereon will be of comparable style, quality, size and cost to the existing Improvements; and

WHEREAS, at the time of recordation of this document, the Declarant's right to annex additional property to the Declaration has not terminated; and

WHEREAS, the Declarant does not seek, at this time, to obtain HUD or VA approval of the property being annexed.

NOW, THEREFORE, as more fully hereinafter provided, the undersigned Declarant hereby annexes to the Declaration that certain property more fully described on Exhibit A attached hereto and incorporated herein by this reference ("Annexed Property"), such that the Annexed Property shall, as more fully hereinafter set forth, be part of the Community and subject to all of the covenants, conditions, restrictions, easements, charges and liens set forth in the Declaration. The Declarant hereby further states and declares as follows:

1. Declarant is the owner of the Units in the Annexed Property.
2. The boundaries of each Unit in the Annexed Property are as shown on the Fourth Supplement to the Condominium Map of Country Club Ridge Condominiums, recorded or to be recorded in the Records ("Fourth Supplement Map"), and the identifying number of each such Unit is listed on Exhibit B attached hereto and incorporated herein by this reference.
3. The Common Elements in the Annexed Property generally consist of all of the Annexed Property except for the Individual Air Spaces located therein.

4. Upon recording in the Records of this Annexation of Additional Land to Declaration of Covenants, Conditions and Restrictions of Country Club Ridge Condominiums and also upon recording in the Records of the Fourth Supplement Map, the Annexed Property is deemed to be a part of the Community and subject to all of the provisions of the Declaration, which include without limitation, as to Units, those provisions regarding obligations to pay Assessments to the Association and any right to cast votes as Members.

5. As provided in the Declaration, the Allocated Interests attributable to each Unit shall be one (1) over the total number of Units subject to the Declaration. After recording in the Records of this document and the Fourth Supplement Map, the Allocated Interest of each Unit shall be as set forth on the attached Exhibit B, except that such Allocated Interests may be decreased if additional Units are annexed to the Declaration.

IN WITNESS WHEREOF, the undersigned Declarant has hereunto set its hand and seal this 20 day of January, 2005.

STONERIDGE DEVELOPMENT COMPANY
LLC, a Colorado limited liability company

By: Wendy Wanger
Its: MEMBER

STATE OF COLORADO)
) ss.
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 20th day of JANUARY, 2005, by Wendy Wanger as MEMBER of STONERIDGE DEVELOPMENT COMPANY LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

(SEAL)

Donna Layton
Notary Public
My Commission expires: 09-29-05

