

TRIANON CONDOMINIUM ASSOCIATION II

**DECLARATIONS
of Covenants, Conditions and Restrictions**

1/13

FIRST AMENDMENT
TO THE
CONDOMINIUM DECLARATION
FOR
THE TRIANON CONDOMINIUMS

WHEREAS, the undersigned, representing at least eighty percent (80%) of the Owners of Trianon Condominiums and all of the existing first mortgagees of Trianon Condominiums, desire to amend the Condominium Declaration for Trianon Condominiums, recorded in the Clerk and Recorder's Office for the City and County of Denver on September 20, 1979, at Book 2011, Page 330, pursuant to the provisions of Article 16 of the Condominium Declaration above referred, as follows:

The last sentence of Article 18(a), shall be deleted and the following language shall be substituted therefore:

In addition to the assessments authorized above, the Association may, at any time and from time to time, determine, levy and assess in any assessment year, which determination, levy, and assessment may be made by the Board with the consent of two-thirds (2/3) of the votes of the Members of the Association who are voting in person or by proxy at a duly called meeting for that purpose, a special assessment applicable to that particular assessment year for the purpose of defraying, in whole or in part, payments for any deficit remaining from a previous period and the unbudgeted costs, fees and expenses of any construction, reconstruction, repair, demolition, replacement, or maintenance of the Common Elements, specifically including without limitation any fixtures and personal property relating thereto. The amounts determined, levied and assessed pursuant hereto shall be set against each Condominium Unit in accordance with the principles set forth herein and shall be due and payable as determined by the Association's Board of Directors and as set forth in the Notice of Assessment promulgated by the Board. Notice in writing setting forth the amount of such special assessment per Condominium Unit and the due date for payment thereof shall be given to the Owners not less than thirty (30) days prior to such due date.

Article 22, subsections (a) and (b) are deleted and the following language substituted therefore.

A grantee of a Condominium Unit, except for any first Mortgagee who acquires title of a Condominium Unit pursuant to the remedies provided in its Mortgage or becomes an Owner of a Condominium Unit pursuant to foreclosure of its Mortgage or by the taking of a deed in lieu thereof, shall not be liable with the grantor for any unpaid assessments against the grantor for his proportionate share of the common expenses up to the time of the grant or conveyance. Any prospective grantee may request, without obligation to pay, a statement from the Board of Managers or Managing Agent of the Association, setting forth the amount of the current monthly common expense assessment, the date that such

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assessment becomes due and any credits for any advanced payments of common expenses and prepaid items, such as insurance premiums, and accumulated amounts for reserves, of any, which statement shall be conclusive upon the Association.

All other sub-paragraphs of Article 22 shall be sequentially renumbered.

Article 32(d) shall be deleted and amended to read as follows:

(d) No advertising signs, unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any condominium Unit or any resident thereof. Further, no business activities of anykind whatever shall be conducted in any building or in any portion of the property except those permitted by law and the Board (the exercise of its discretion may be inconsistent only if such activities are categorized as household occupations); provided, further, that the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings and improvements, if any, of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth; provided, further, that notwithstanding anything to the contrary, no Owner shall be allowed to post signs of any size or form without the prior approval and consent of the Board.

IN WITNESS WHEREOF, the following owners of units representing an aggregate ownership interest of eighty percent (80%) or more of members present or by proxy, hereby assent to the First Amendment to The Condominium Declaration for Trianon Condominiums and have executed the foregoing First Amendment to the Condominium Declaration for Trianon Condominiums the day and date set forth opposite their name,

DATE: June 28, 1994

NAME: *Odellia M. Laws*, Assistant Vice President
FirstBank of Denver, N.A.
Address 370 17th Street
Denver, Colorado 80202

STATE OF COLORADO)
) ss.
COUNTY OF Denver)

The above _____ was subscribed and sworn to before
me by Odellia M. Laws this 28th day of June
1994.
(S E A L)

Antonette L. Thomas
Notary Public
My commission expires: NOVEMBER 10, 1995
My address is: FIRSTBANK OF DENVER, N.A.
370 17th Street
DENVER, COLORADO 80202

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R. L. SERAFIN
COUNTY CLERK
DENVER COUNTY

CONDOMINIUM DECLARATION

2011 330

FOR

THE TRIANON CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, DANLIA PROPERTIES, INC., (hereinafter called the Declarant) is the owner of real property described as Lots 30-34 inclusive, except Bear portion to City for alley, Block 9, More's Park Heights, City & County of Denver; and

WHEREAS, there presently exists on said real property a multi-story apartment building and garage, which improvements are commonly known as 2034 Dahlia Street, Denver, Colorado; and

WHEREAS, Declarant desires to convert said complex into a condominium project under the Condominium Ownership Act of the State of Colorado to wit: C.R.S. '73, Section 38-33-101 et seq. (as amended), to be known as The Trianon; and

WHEREAS, Declarant does hereby establish a plan for the ownership in fee simple of the real property estate, subject to the easements, restrictions, reservations, conditions, and assessments as set forth in this Declaration, consisting of the area or space contained in each of the air space units in the building improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining property, which property is hereinafter defined and referred to as common elements.

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

1. Definitions. Unless the context expressly provides otherwise, definitions shall be as follows:

"Unit" means one individual air space which is contained within the windows, doors and unfinished perimeter walls, floors and ceilings of each unit identified and depicted on the Map to be filed for record, together with all fixtures and improvements therein contained but not including any of the Common Elements of the buildings if any, located within the Unit. The exact boundaries of a Unit are the interior unfinished surfaces of such walls, floors and ceilings which mark the perimeter boundaries thereof and where faced along such walls, floors and ceilings, the interior surfaces of built-in fireplaces with their fires in the closed position and windows and doors in their closed positions.

"Condominium Unit" means the fee simple interest and title in and to a Unit, together with the undivided interest in the Common Elements appurtenant to such Unit, and all other rights and burdens created by this Declaration, the Articles of Incorporation and By-Laws.

"Owner" means a person, persons, corporation, partnership, association or other legal entity, or any combination thereof, which own(s) an interest in a Condominium Unit but excluding, however, any such person having an interest therein merely as a Mortgagee (unless such mortgagee has acquired fee simple title to a Condominium Unit pursuant to foreclosure or any proceedings in lieu thereof).

"Common Elements" means and includes all of the land described hereinafter and all the improvements thereto and thereon located, excluding Units. Common Elements shall consist of the General Common Elements and Limited Common Elements.

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"General Common Elements" means and includes the land described hereinabove; the structural components of the buildings, including, but not limited to, the foundations, columns, girders, beams, supports, perimeter and supporting walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances and exits, basements, yards, gardens, parking and storage spaces; the mechanical installations of the buildings consisting of the equipment and materials making up any central services such as power, light, gas, hot and cold water, heating, refrigeration, central air conditioning and incinerating, which exist for common use; such enclosed air spaces in the buildings as are provided for community, recreation, utility and common use of all Owners; and all other parts of such land and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land, all of which shall be owned, as tenants in common, by the Owners of the separate Units, each Owner of a Unit having an undivided interest in such General Common Elements as is hereinafter provided. General Common Elements shall include all tangible physical properties of this project except Limited Common Elements and the Units.

"Limited Common Elements" means those parts of the Common Elements which are either limited to and reserved for the exclusive use of an Owner of a Condominium Unit or are limited to and reserved for the common use of more than one but fewer than all of the Condominium Unit Owners, which shall include by way of illustration and not limitation, balconies and patios, which are specifically designated as being part of a particular Condominium Unit, parking areas which are specifically assigned to a particular Condominium Unit and storage areas which are specifically assigned to a particular Condominium Unit.

"Articles" means the articles of incorporation of the Association created in these Declarations.

"Association" means the Association formed as a Colorado not-for-profit corporation bearing the name of this Condominium Project.

"Board" or "Board of Directors" means the governing body of the Association as provided in the Articles of Incorporation and By-Laws.

"Building" means one or more of the building improvements erected within the Condominium Project.

"By-Laws" means the By-Laws of the Association created in these Declarations.

"Common Expenses" means and includes (i) expenses of administration, operation and management, repair or replacement of the Common Elements; (ii) expenses declared Common Expenses by the provisions of this Declaration or by the By-Laws of the Association; (iii) expenses agreed upon as Common Expenses by the Association; and (iv) all sums lawfully assessed against the Owners by the Association.

"Condominium Project" means all of the land and improvements initially submitted by this Declaration.

"Declaration" means this Declaration and any amendments thereto.

"Guest" means any agent, employee, tenant, guest, licensee or invitee of an Owner.

"Managing Agent" or "Manager" means the person employed by the Board to perform the management and operational functions of the Project.

"Map" or "Condominium Map" means the engineering survey of the land aforescribed identifying and depicting the improvements, and the floor and elevation plans of the Units.

"Mortgage" means any mortgage, deed of trust or other assignment or security instrument creating a lien on any Condominium Unit and "Mortgages" shall include any grantee, beneficiary or assignee of a Mortgage.

"Person" means an individual, corporation, partnership combination, association, trustee or any other legal entity.

2. Division of Property Into Condominium Units. The real property described hereinabove, including the improvements thereon, is hereby divided into five (5) fee simple estates as set forth on the Map. Each such estate shall consist of the separately designated Unit and the undivided interest in and to the Common Elements, as follows:

Unit 1 -- 24 percent
Unit 2 -- 21 percent
Unit 3 -- 24 percent
Unit 4 -- 21 percent
Unit 5 -- 10 percent

3. Limited Common Elements. The Limited Common Elements shall be identified on the Map; provided, however, that any court, patio, balcony, or deck which is accessible from, associated with and which adjoins a Unit, without further identification, shall be deemed to be a Limited Common Element. Limited Common Elements shall be used in connection with the appurtenant Unit to the exclusion of the use thereof by the other Owners, except by invitation. All of the Owners shall have a non-exclusive right in common with all of the other Owners to the use of sidewalks, pathways and driveways located within the entire Condominium Project. No reference thereto, whether such Limited Common Elements are exclusive or non-exclusive, need be made in any lease, assignment of lease, sublease, deed of trust, mortgage or other instrument.

4. Description of Condominium Unit.

(a) Every contract for the sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying Unit designation, followed by the words "The Trianon Condominiums." The location of such Condominium Unit shall be depicted on the Map subsequently recorded. Upon recordation of the Map in the office of the Clerk and Recorder of the City and County of Denver, Colorado, such description shall be conclusively presumed to relate to the thereon described Condominium Units.

(b) After the Map and this Declaration have been recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado, every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a Condominium Unit as follows: Condominium Unit ____; The Trianon Condominiums, in accordance with the Declaration, recorded on the ____ day of ____, 19__, in Book ____ at Page ____, and Condominium Map recorded on the ____ day of ____, 19__, in Book ____ at Page ____ of the City and County of Denver, Colorado, Records together with the right to the exclusive use of parking space No. ____ and storage space No. ____ . Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Unit, but also the undivided interest in the Common Elements appurtenant to the said Unit and all other appurtenant properties and property rights, and incorporate all of the rights and burdens incident to ownership of a Condominium Unit and all of the limitations thereon as described in this Declaration and Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an Owner's Unit and use of all of the Limited Common Elements appurtenant to said Unit as well as all the General Common Elements.

(c) The reference to the Map and Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference(s) thereto.

3. Condominium Map. The Map may be filed for record in whole or in parts. Each such Map shall be recorded prior to the conveyance of the Condominium Units shown thereon. Each such Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the building; the floor and elevation plans; the location of the Unit within the building, both horizontally and vertically; the thickness of the common walls between or separating the Units; the location of any structural components of the building located within a Unit; and the Condominium Unit designations. Each such Map shall contain the certificate of a registered

engineer or land surveyor certifying that the Map substantially depicts the location, and the horizontal and vertical measurements of the Units, the Unit designations, and the elevations of the constructed unfinished floors and ceilings, and that such Map was prepared subsequent to substantial completion of the improvements. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries. Declarant reserves the right to amend the Map, from time to time, to conform the same according to the actual location of any of the constructed improvements and to establish, vacate and relocate easements as required by the providing utility companies. Declarant's rights under this Section shall terminate upon the earliest of the following events: (1) sale and conveyance of all condominium units by the Declarant to purchasers, or (2) December 31, 1980.

6. Inseparability and Non-Partitionability. Each Unit, the appurtenant Limited Common Elements and the appurtenant individual interest in the Common Elements shall together comprise one Condominium Unit, shall be inseparable and may be conveyed, leased, devised or encumbered only as a Condominium Unit. The Common Elements shall remain undivided, except as otherwise provided herein, and each Owner waives whatever rights he has to institute or maintain an action to partition.

7. Separate Assessment and Taxation - Notice to Assessor. Declarant shall give written notice to the assessor of the County of Denver, Colorado, of the creation of Condominium Ownership on this Property, as is provided by law, so that each Unit and the undivided interest in the common elements appurtenant thereto shall be deemed a separate parcel of real estate for purposes of separate assessment and taxation. The Association upon the request of any first Mortgagee, shall furnish proof that all taxes, real estate assessments and charges shall relate only to the individual Condominium Unit and not to the Condominium Project as a whole.

8. Use of General and Limited Common Elements. Each Owner may use the Common Elements to his Unit in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Association may adopt rules and regulations governing the use of General and Limited Common Elements, but such rules and regulations shall be uniform and non-discriminatory. Each Owner, by the acceptance of his deed or other instrument of conveyance or assignment agrees to be bound by any such adopted rules and regulations.

9. Use and Occupancy of Condominium Apartments. Each Owner shall be entitled to the exclusive ownership and possession of his Condominium Unit. Each Condominium Unit shall be used for residential purposes only, and no Condominium Unit shall be occupied for living or sleeping purposes by more persons than it was designed to accommodate safely. For the purpose of the foregoing sentence, each Condominium Unit shall be deemed to have been designed to accommodate safely a maximum of two permanent occupants per bedroom. No Condominium Unit shall be used at any time for any business or commercial activity, except as follows: (i) the Owner thereof may lease or rent such Condominium Unit for private residential, living or sleeping purposes; (ii) Declarant or its nominee may use any Condominium Unit(s) as a model or sales unit until all Units owned by Declarant are sold; and (iii) the Association shall have the right but not the obligation to purchase and own any Condominium Unit for a manager's residence, storage, recreation, or conference area or any other use which the Association determines is consistent with the operation of the Project and the Association may also maintain offices, within the General Common Elements.

10. Easements for Encroachments. If any portion of the Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of a Unit encroaches upon the Common Elements, or upon an adjoining Unit or Units, an easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist, and such encroachment(s) shall not be considered or determined to be encumbrances either on the Common Elements or on the Units for purposes of marketability of title or other purposes.

11. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the completion of any alterations, modifications or additions to

the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner, his agent, his contractor or subcontractor, shall be the basis for filing of a lien against the Condominium Unit of any other Owner not expressly consenting to or requesting the same. Each Owner shall defend, indemnify and hold harmless each of the other Owners and mortgagees from and against all liability arising from the claim of any lien against the Condominium Unit of any other Owner for labor, materials, or services of subcontractors incorporated in his Unit at his request. At the written request of any Owner, the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien and all costs incidental thereto, including attorneys' fees. If not promptly paid, the Association may proceed to collect the same in the manner provided herein for collection of assessments for the purpose of discharging the lien. The provisions herein contained are subject to the rights as set forth in paragraph 13. Notwithstanding the foregoing, any Mortgagee of a Condominium Unit who shall become the Owner of such Condominium Unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims arising prior to the date such Mortgagee becomes an Owner.

11. The Triason Condominium Association.

(a) General Purposes and Powers. The Association through the Board or Managing Agent shall perform functions and hold and manage property as provided in this Declaration so as to further the interests of Owners of the Units in the Project. The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the Project and to perform all of the duties required of it. Notwithstanding the above, unless at least eighty percent (80%) of the first Mortgagees of Condominium Units (based upon one vote for each first mortgage owned or held) have given their prior written approval, the Association shall not be empowered or entitled to:

- (1) by act or omission, seek to abandon or terminate the Condominium regime.
- (2) partition or subdivide any Condominium Unit.
- (3) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements.
- (4) use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.

(b) Membership. The Owner of a Unit shall automatically become a member of the Association and shall remain a member for the period of his ownership. If the fee simple title to a Unit is held by more than one person, each co-tenant of the Unit shall be a member of the Association. Memberships in the Association shall be limited to Owners of Units in the Project.

(c) Board of Directors. The affairs of the Association shall be managed by the Board of Directors which may by resolution delegate any portion of its authority to an executive committee or to a Director or Managing Agent for the Association. There shall not be less than three nor more than five members of the Board of Directors, the specific number to be set forth from time to time in the By-Laws, all of whom shall be Owners elected by the Owners. The terms of at least one-third of the Board shall expire annually.

(d) Voting of Owners. Each Owner shall be entitled to one vote for each Unit owned by said Owner. When more than one person owns a particular Condominium Unit, they shall appoint one of their co-owners as proxy to cast the vote of that membership. Such vote shall be cast as the Owners thereof have agreed, but in no event shall more than one vote per unit be cast with respect to any one Unit. If the co-owners cannot agree on the manner in which their vote should be cast when called upon to vote, their vote shall be treated as having obtained.

(a) By-Laws and Articles. The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Articles and By-Laws of the Association.

13. Reservation for Access - Maintenance, Repair and Emergencies.

(a) The Owners shall have the irrevocable right, to be exercised by the Manager or members of the Board, or employees or subcontractors of the Association, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance of inspection therein necessary to prevent damage to the Common Elements or to another Unit.

(b) Damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit, shall be Common Expense of all of the Owners; provided, however, that if such damage is caused by negligent or tortious acts of a Unit Owner, members of his family, his agent, employee, invitee, licensee or tenants, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof shall forthwith become said Unit Owner's obligation. All damaged improvements shall be restored substantially to the same condition in which they existed prior to the damage. All maintenance, repairs, and replacement of the Common Elements, whether located inside or outside of Units (unless necessitated by the negligence, misuse or tortious act of a Unit Owner, in which case such expense shall be charged to such Unit Owner), shall be the Common Expense of all of the Owners.

14. Maintenance Responsibility.

(a) Owner:

(1) For purposes of maintenance, repair, alteration and remodeling, an owner shall be deemed to own the interior non-supporting walls, the materials such as, but not limited to, plaster, drywall, paneling, wallpaper, paint, wall and floor tile and flooring, but not including the sub-flooring which make up the finished surfaces of the perimeter walls, ceiling and floors within the unit, including unit doors and windows. The Owner shall not be deemed to own lines, pipes, wire, conduits or mechanical systems (which are the General Common Elements and for brevity are herein and hereafter referred to as "utilities") running through his Unit which serve one or more other Units except as a tenant in common with the other Owners. Such utilities shall not be disturbed or relocated by an Owner without the written prior consent and approval of the Board.

(2) An Owner shall maintain and keep in good repair and in clean, safe, attractive and sightly condition the interior of his own Unit, including the fixtures, doors and windows thereof and the improvements affixed thereto, and such other items and areas as may be required in the By-Laws. Also an Owner shall maintain, clean and keep up in a neat and clean condition the deck and/or patio area adjoining and/or leading to a Unit, if any, which areas are shown on the Map as Limited Common Elements appurtenant to such Owner's Unit. All fixtures and equipment installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. If any Owner fails to carry out or neglects the responsibilities set forth in this paragraph, the Association may fulfill the same and charge such Owner therefor. Any expense incurred by an Owner under this paragraph shall be the sole expense of said Owner.

(b) Association:

Subject to subsection (a) of this Section 14, the Association shall have the duty of maintaining and repairing all of the Common Elements within the project and the cost of said maintenance and repair shall be a Common Expense of all of the Owners.

15. Compliance With Provisions of Declaration, Articles and By-Laws of the Association. Each Owner shall comply strictly with, and shall

cause each of his Guests to comply strictly with, all of the provisions of this Declaration and the Articles and By-Laws of the Association, and the decisions, rules, regulations and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, along with costs of suit and reasonable attorney's fees, maintainable by the Managing Agent or Board of Directors in the name of the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

16. Revocation or Amendment to Declaration.

(a) This Declaration shall not be amended or revoked unless eighty percent (80%) of the Owners and one hundred percent (100%) of the holders of recorded first mortgages or deeds of trust consent and agree to such amendment or revocation; provided, however, that the undivided interest in Common Elements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of all of the Owners and all of the first mortgages. The consent(s) of any junior mortgages shall not be required under the provisions of this paragraph.

(b) The Association shall, at least thirty (30) days prior to the effective date of any amendment to this Declaration, notify the holders of all recorded mortgages or deeds of trust affecting Condominium Unit(s) of such amendment. No such amendment or revocation shall be effective unless and until it is duly recorded.

17. Additions, Alterations and Improvements - General and Limited Common Elements. There shall be no capital additions, alterations or improvements of or to the Common Elements by the Association requiring an expenditure in excess of One Hundred Dollars (\$100.00) per Unit in any one calendar year without prior approval of a majority of the Owners except in the event of an emergency. Said amount per Unit shall never be less than the aforesaid limitation but shall be increased to the extent applicable, every third year hereafter proportionate to any increase in the Consumer Price Index, using the factor for January, 1979, as the base criterion as promulgated by the U.S. Department of Labor, and as interpreted by the University of Denver so that it specifically applies to the area of Denver, Colorado, or such other comparable index if the foregoing is not available. Such limitation, as adjusted, shall be in addition to the customary operating and ownership Common Expenses elsewhere defined in this Declaration.

18. Assessment for Common Expenses.

(a) All Owners shall be obligated to pay the estimated assessments imposed by the Board to meet the Common Expenses and reserves. The assessments shall be apportioned equally among the Owners of Units 1, 2, 3 and 4, the Owner of Unit 5 shall be obligated to pay at the rate of 50 percent of the assessment of the other Units. Subject to specific provisions elsewhere provided in this Declaration, the Limited Common Elements shall be maintained as General Common Elements (except, however, this shall not impose upon the Association the obligation to clean patios, assigned storage lockers and assigned parking spaces), and Owners having exclusive use thereof shall not be subject to any special charges or assessments for the repair or maintenance thereof. Assessments for the estimated Common Expenses shall be due in advance on the first day of each calendar month, or less frequently as may be determined by the Board. The Board shall cause to be prepared and delivered to each Owner at least once each year a statement setting forth the estimated common assessments. Regarding any special assessments, the Board may implement such procedure as they deem appropriate.

(b) Assessments shall be based upon the cash estimated by the Board to be needed to provide for the payment of all expenses of maintenance, repair, operation, additions, alterations and improvements of and to the Common Elements and community personal property owned by the Association; expenses of management; taxes and special assessments until separately assessed; premiums for insurance; landscaping and care of grounds; common lighting; heating; water charges, trash collection, legal and accounting fees; wages, for the creation of a reasonable contingency reserve, working capital and sinking funds, as well as other costs and expenses relating to the Common Elements.

(c) The omission or failure to fix the assessment, or deliver or mail a statement for any period shall not be deemed a waiver, modification or a release of the Owners from their obligations to pay the same.

(d) The Board shall establish a reserve fund for repair and replacement of the Common Elements and such reserve fund shall be funded through the monthly payments of the Common Expenses and not by extraordinary special assessments.

(e) Any Owner or Mortgagee may, pursuant to C.R.S. Section 38-33-107, as amended, inspect the Association's records of receipts and expenditures at any reasonable time, and, upon 10 days' notice to the Board of Directors or Managing Agent, if any, any Owner or first Mortgagee shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing such Owner.

19. Insurance. The Board shall obtain and maintain at all times a policy or policies of insurance issued by insurance companies authorized to do business in the State of Colorado insuring the General and Limited Common Elements of the Condominium Project with coverages for fire, extended coverage, vandalism and malicious mischief and including such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other condominium buildings, fixtures, equipment and personal property similar in construction, design and use. The insurance shall be carried in blanket policy form naming the Association as the insured, which policy or policies shall identify the interests of each Owner and which shall provide for a standard, non-contributory mortgagee clause in favor of each first mortgagee. There shall be in effect at all times insurance in the amount of 100 percent of the appraised value. There shall also be a boiler explosion endorsement in the amount of \$50,000 per accident. In the event that this property is determined at some time in the future to be in a flood hazard area, the Association shall have a duty of insuring it for that hazard also. If any employees are hired by the Association or Board, a workmen's compensation policy shall be carried. Public liability and property damage insurance in such limits as the Board of Managers of the Association may from time to time determine, but not in an amount less than \$500,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest" endorsement. In addition, the Association may carry any additional policies it feels are necessary or beneficial.

20. Owner's Personal Obligation for Payment of Assessments.

(a) The amount of the Common Expenses assessed against each Condominium Unit shall be the personal and individual debt of the Owner thereof. He Owner may exempt himself from liability for his contribution for the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of this Unit. Suit to recover a money judgment for unpaid Common Expenses, and costs of suit and attorneys' fees, shall be maintainable without foreclosing or waiving the lien securing the same.

(b) Unless otherwise provided by the Board, all assessments are due within ten (10) days from the date of assessment. If any assessment shall remain unpaid after 10 days after the due date thereof, the Board of Directors or Managing Agent may impose a penalty on such defaulting Owner in an amount equal to 1.5% of such assessment. Likewise, a penalty equal to 1.5% of the unpaid assessment may be imposed on the first day of each calendar month thereafter so long as such assessment shall be unpaid. Upon the default by an Owner in the payment of an assessment, the Association may take whatever lawful action then deemed necessary to collect same, including the commencement of an action. Any defaulting Owner shall be liable for all expenses attendant to the collection of an assessment, including attorneys' fees.

(c) Upon the default by an Owner in the payment of an assessment, the Owner does assign, transfer and set over to the Association all

rents, profits and income derived from his Condominium Unit together with full and complete authority and right to demand, collect, receive and receipt for such rents, profits and income, to take possession of the Condominium Unit without having a receiver appointed therefor, to rent and manage the same from time to time and to apply such rents, profits and income to the indebtedness secured hereby until such indebtedness is paid in full. Such assignment, transfer, and set over shall be subordinate to any similar right held by any first mortgagee of the Unit.

21. Assessment Lien.

(a) All sums assessed but unpaid for the common expenses chargeable to any Condominium Unit shall constitute a lien on such Unit superior to all other liens and encumbrances, except only for real estate taxes and all sums unpaid on the first mortgage or first deed of trust of record. To evidence such lien, the Board shall prepare a written Notice of Assessment Lien setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by one member of the Board or by one of the officers of the Association or by the Manager, and shall be recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado. Such lien shall attach from the date of failure of payment of the assessment. Such lien may be enforced by the foreclosure of the defaulting Owner's Condominium Unit by the Association in like manner as a mortgage on real property.

(b) The Owner of the Condominium Unit being foreclosed shall be required to pay to the Association the monthly assessment for the Condominium Unit during the period of foreclosure, and the Association shall be entitled to collect the same. The Association shall have the power and authority to bid for the Condominium Unit at a foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant thereto, convey or otherwise deal with the same during such proceeding and its ownership thereof.

(c) Any encumbrancer holding a lien on a Condominium Unit may pay, but shall not be required to pay, any unpaid Common Expenses payable with respect to such Unit, and upon such payment, such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance without the necessity of having to record a Notice of Assessment Lien. Upon request of a mortgagee, the Board shall report to the mortgagee of a Condominium Unit any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due, or other default not cured within thirty (30) days; provided, however, that a mortgagee shall have furnished to the Board notice of such encumbrance.

22. Liability for Common Expenses Upon Transfer of Condominium Is Joint.

(a) The Grantee of a Condominium Unit shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for the unpaid common assessments levied prior to the time of the grant or conveyance.

(b) Upon the written request of any Owner, prospective owner, mortgagee, or prospective mortgagee of a Condominium Unit, the Board shall issue a written statement setting forth the amount of the unpaid Common Expenses, if any, with respect to the subject Unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for any advanced payments of common assessments and for prepaid items (such as insurance premiums, but not including accumulated amounts for reserves, if any), which statement shall be conclusive upon all persons who rely thereon in good faith. Unless such statement is furnished within twenty (20) days from the date of the request, all unpaid Common Expenses shall be subordinate to the rights of the person requesting such statement.

(c) Notwithstanding the terms and conditions of paragraph 22(a), ~~Unit~~ in the event of any default on the part of any Owner under any first mortgage or first deed of trust which entitles the holder thereof to foreclose the same, any first mortgagee or assignee of such mortgagee who acquires title

to a condominium unit pursuant to foreclosure or a deed in lieu thereof, shall take such condominium unit free and clear of any lien or liability for unpaid assessments accruing prior to the date such first mortgagee or assignee acquires title to the condominium unit.

23. Encumbrances.

(a) A member who mortgages his Condominium Unit shall notify the Association through the Secretary, giving the name and address of his mortgagee. The Association shall maintain such information in its records.

(b) The Association, whenever so requested in writing by a mortgagee of a Condominium Unit, shall promptly report any then unpaid Common Expenses due from, or any other default by, the Owners of a mortgage Unit, which is not cured within thirty (30) days.

(c) When giving notice to a member of a default in paying Common Expenses or other default, the Board shall send a copy of such notice to each holder of a mortgage or deed of trust covering such Condominium Unit.

(d) The Association shall at least thirty (30) days prior to the effective date of any amendment to the Articles of Incorporation or By-Laws, notify in writing the holders of all recorded mortgages or deeds of trust of any such amendment. Further, the Association shall notify said mortgagees of any changes in the Board or Manager.

(e) Each member and each mortgagee of a Condominium Unit shall be permitted to examine the books of account of the condominium at reasonable times on business days.

(f) An Owner may create a junior mortgage (junior to the lien, deed of trust or other encumbrance of the first mortgagee); provided, however, that any such junior mortgages, liens or encumbrances shall always be subordinate to the prior and paramount lien of the Association for Common Expenses and all of the terms, conditions, covenants, restrictions, uses, limitations and obligations under this Declaration, Articles of Incorporation and By-Laws, and provided further that such junior encumbrancer(s) shall release, for purposes of restoration of any improvements upon the encumbered Condominium Unit, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises by the Association. Such release shall be furnished forthwith by a junior mortgagee upon written request of the Board and if such request is not granted, such release may be executed by a member of the Board as attorney-in-fact for such junior mortgagee.

24. Destruction, Damage or Obsolescence - Association as Attorney-In-Fact.

(a) The Owners hereby irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the property upon its damage or destruction or obsolescence as is hereinafter provided. The Association, by its duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of a Condominium Unit Owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of all of the Condominium Unit Owners shall be held within thirty (30) days of either such event. At such meeting, a new attorney-in-fact shall be appointed to deal with the property upon its destruction, damage or obsolescence. Said appointment must be approved in writing by eighty percent (80%) of the Owners and eighty percent (80%) of the First Mortgagees. Title to any Condominium Unit is expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of the attorney-in-fact herein provided.

(b) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association to such reconstruction, and the improvements shall be promptly repaired and reconstructed. The Association shall have full

Owners as a Common Expense, whether or not they have previously consented to the plan of renewal and construction.

(g) The Owners representing an aggregate ownership interest of eighty percent (80%) of the Common Elements may agree that the Condominium Units are obsolete and that the same should be sold. Such plan or agreement must have the approval of one hundred percent (100%) of the first mortgages. In such instance, the Board shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice, the entire premises shall be sold by the Board for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation and the By-Laws. The sale proceeds shall be apportioned among the Owners on the basis of each Owner's interest in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Association and shall be further identified by the Condominium Unit designation and the name of the Owners. From each separate account, the Board shall use and disburse the total amount of each such account, without contribution from one account to another for the same purposes and in the same order as provided in subparagraph (h) of this paragraph.

(h) Proceeds shall be used and disbursed by the Association in the following order:

- (1) For payment of the customary expenses of sale.
- (2) For payment of taxes and other lien enjoying similar priority.
- (3) For payment of the balance due the first mortgagee.
- (4) For payment of unpaid Common Expenses.
- (5) For payment of junior encumbrances in the order of their priority.
- (6) The balance remaining to the Owner.

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

(a) Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award" shall be payable to the Association.

(b) Complete Taking.

(1) In the event that the entire Condominium Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the owners on the same basis of each Condominium Unit Owner's interest in the Common Elements; provided, however, if a different standard is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

(2) On the basis of the principle set forth in the last preceding paragraph, the Board shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 24(h).

(c) Partial Taking. In the event that less than the entire Condominium Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium Ownership hereunder shall not terminate. As soon as practicable, the Board shall, reasonably and in good

authority, right and power to cause the repair and restoration of the improvements. Assessments for Common Expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

(c) If the insurance proceeds are insufficient to repair and reconstruct the improvements, and if such damage is not more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, using the insurance proceeds and the proceeds of a special assessment to be made against all of the owners for the balance of the repair and reconstruction costs needed.

(d) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this Project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the Owners and their Condominium Units, provided, however, that Owners representing an aggregate ownership interest of eighty percent (80%) or more of the Common Elements and all of the first Mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association pursuant to the provisions of this paragraph, as attorney-in-fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation and Bylaws. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Owner's interest in the Common Elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount of each of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any First Mortgage encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire Property. Such apportionment shall be based upon each Condominium Unit Owner's interest in the common elements. The total funds of each account shall be used and disbursed, without contribution, from one account to another by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in section (h)(1) through (6) of this section.

(e) In the event of such damage or destruction under subparagraph (d) of this paragraph, and if a plan for repair, replacement and reconstruction is adopted as therein provided, then all of the Owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a Common Expense and made pro rata according to each Owner's interest in the Common Elements and shall be due and payable as provided by the terms of such plan. The Board shall have full authority, right and power to cause the repair, replacement or restoration of improvements using all of the insurance proceeds for such purpose, notwithstanding the failure of an Owner to pay the assessment. The Board shall have the absolute right and power to sell the Unit of any Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Board shall cause to be recorded a notice that the Unit of the delinquent Owner shall be sold by the Board. The proceeds derived from the sale of such Unit shall be used and disbursed by the Association as attorney-in-fact for the same purposes and in the same order as is provided for in subparagraph (h) of paragraph 24. Assessments for Common Expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

(f) Upon an affirmative vote of eighty percent (80%) of the Owners, the Common Elements may be declared to be obsolete and, upon the approval of one hundred percent (100%) of the first mortgagees of record, a plan may be adopted for the renewal and reconstruction of such Common Elements. The expense of renewal and reconstruction shall be payable by all of the

faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners, as follows: (1) the total amount allocated to the taking of or injury to the Common Elements shall be apportioned among the Owners on the basis of each Owner's interest respectively, in the Common Elements; (2) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (3) the respective amounts allocated to the taking of or injury to a particular Unit and to improvements an Owner has made within his own Unit shall be apportioned to the particular Unit involved; and (4) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree or otherwise, then in allocating the Condemnation Award, the Board shall employ such allocation to the extent it is relevant and applicable. Distribution of the apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 24(h).

26. Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association and shall cease to hold any right, title or interest in the Condominium Project. Thereafter, the Board shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception (square footage ratio) and shall submit such reallocation to the owners and first mortgagees of remaining Units for amendment of this Declaration as provided in Section 16.

27. Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 24.

28. Registration of Mailing Address. Each Owner and first mortgagee shall notify the Board of his mailing address. Notices or demands intended to be served upon the Owner shall be sent by mail, postage prepaid, addressed in the name of the Owner at such address. Copies of such notices shall be sent to first mortgagees in a like manner, except when such notices pertain to matters specifically relating to mortgagee(s), and then such notice shall be sent by certified or registered mail.

29. Period of Condominium Ownership. The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as is provided in paragraph 16 of this Declaration or until terminated in the manner as is provided in paragraphs 24 and 25 of this Declaration.

30. Parking Spaces and Storage Lockers. All assigned parking spaces and assigned storage lockers shall be Limited Common Elements. Any and all other parking areas and storage areas located on the Condominium Project shall be under the control of the Association for the use of all of the Condominium Unit Owners on a non-discriminatory basis.

31. Assessment Reserves. Each Owner shall be required to deposit at the time of initial purchase and thereafter to maintain with the Association the amount of Three times the monthly assessment, which sum shall be used as a reserve for paying such Owner's monthly common assessment, for capital repairs and/or replacements, purchase of equipment and/or replacements, purchase of equipment and for extraordinary common expenses. Such advance payment shall not relieve an Owner from making the regular monthly common assessment as the same comes due. Upon the sale of his Condominium Unit, an Owner shall be entitled to a credit from his grantee for any unused portion thereof. Failure to so maintain said fund shall constitute a default on behalf of an Owner. Said funds may be co-mingled and/or invested in common investments. Any interest accruing on such deposit shall not be required to be distributed by the Association. However, such interest, if any, for tax purposes is hereby recognized and declared to be a constructive receipt received by an Owner.

32. Restrictive Covenants and Obligations.

(a) Subject to subparagraph (d) hereof, the property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No structures of a temporary character, trailer, camper, tent, shack, barn or other outbuilding shall be used or permitted to be kept or stored on any portion of the premises at any time either temporarily or permanently.

(b) Notwithstanding any provisions herein contained to the contrary, it shall expressly be permissible for the Declarant, his agent, employees and contractors to maintain during the period of sales of the Condominium Units, upon such portion of the property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the alteration and improvement and sale or rental of Condominium Units and interests, including, but without limitation, a business office, storage area, construction yards, signs, model units, sales office, construction office, parking areas and lighting.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept on the property, except that dogs, cats or other household pets may be kept; provided, however, that the right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an Owner's pet. Every Owner of a pet shall maintain strict control over his pet and shall prohibit the pet from making loud, disturbing noises or any other behavior reasonably annoying to other Owners.

(d) No advertising signs, unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Condominium Unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any building or in any portion of the property except those permitted by law and the Board (the exercise of its discretion may be inconsistent only if such activities are categorized as household occupations); provided, further, that the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings and improvements, if any, of the Declarant, its agents, contractors and assigns during the construction and sale and rental period and of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth; provided, further, that notwithstanding anything to the contrary, the Owner shall be allowed to post signs of reasonable size and dignified form pertaining to the sale or rental of the Unit.

(e) No nuisance shall be allowed on the condominium property, nor any use or practice which is the source of annoyance to the residents or which interferes with the peaceful enjoyment or possession and proper use of the property by its resident. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage be allowed to accumulate nor any fire hazard to exist. No Unit Owner shall permit any use of his Unit or make use of the Common Elements which will increase the rate of insurance upon the Condominium Property or reduce the value of the Condominium Property.

(f) No immoral, improper, offensive or unlawful use shall be permitted or made of the Condominium Property or any part thereof. All laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

(g) Except for those improvements erected or installed by the Declarant, no exterior additions, alterations or decorating to any buildings, nor changes in fences, hedges, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Board.

(h) Additional and supplemental rules may be adopted by the Board concerning and governing the use of the Units as well as the General and Limited Common Elements; provided, however, that such rules shall be furnished to Unit Owners prior to the time that they become effective and that such rules shall be uniform and non-discriminatory except to the extent the Board has discretionary rights specifically given to it in this Declaration. The implementation of additional or supplemental rules which shall modify any of

the provisions of this Section 32, must be done in accordance with Section 16 of this Declaration.

33. Association Right to Acquire Additional Property. The Association may acquire and hold for the benefit of all of the Condominium Unit Owners tangible property and may dispose of same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Condominium Unit Owners in the same proportions as their respective interest in the Common Elements, and such interest therein shall not be transferable by an Owner except with a conveyance of a Condominium Unit. A conveyance of a Condominium Unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject Condominium Unit.

34. General Reservations. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or ByLaws, the Declarant reserves the right to exercise the rights, duties and functions of the Board until the earliest of the following events:

(a) The sale and conveyance of all Condominium Units by the Declarant to Purchasers, or

(b) December 31, 1980.

During such period of development and sale, the monthly assessment for Common Expenses shall be based upon the actual cost, and shall not include any estimated amount for contingencies, reserves or sinking funds. Declarant shall pay its pro rata share of the expenses based upon its ownership of Condominium Units.

35. Title Subject To Declarant's Reservations. Title to and ownership of each Condominium Unit is expressly subject to the reservations set forth in paragraph 34.

36. Acceptance of Provisions of All Documents. The conveyance or encumbrance of a Condominium Unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles of Incorporation, ByLaws, rules and Management Agreement, if any, and shall be binding upon each grantee or encumbrancer without the necessity of inclusion of such an express provision in the instrument of conveyance or encumbrance.

37. Professional Manager. The Association may employ a Professional Manager for the management of this Condominium Project. Any such contract shall be for a term not to exceed three (3) years and shall be terminable upon sixty (60) days written notice by either party without cause and without payment of a termination fee.

38. General.

(a) If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) Declarant, as used herein, means the named Declarant, its successors and assigns.

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

(d) That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

(a) Paragraph titles are for convenience of reference and are not intended to limit, enlarge or change the meaning of the contents of the various paragraphs.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this 11th day of September, 1979.

Frances Koncilja
Frances Koncilja, President-Treasurer



Whaley
Whaley, Secretary

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

The above and foregoing was acknowledged before me this 11th day of September, 1979, by Frances Koncilja, Declarant.

Witness my hand and official seal.

My Commission expires: 4-28-81



Vince C. Lake
Notary Public

Pursuant to Paragraph 15 of the Condominium Declaration recorded September 10, 1979 in the records of the Clerk and Recorder of the City and County of Denver, and pursuant to Paragraph 15.2(b) of the Association's Bylaws, the following Rules and Regulations are hereby adopted. These Rules and Regulations are intended to supplement the restrictions contained in the Declaration and Bylaws, and shall remain in full force and effect, and shall run with the condominium estates of each Unit, until duly repealed or amended.

The real property to which these Rules and Regulations apply is described as follows:

Lots 30-34 inclusive, except rear portion to City for alley
Block 9
More's Park Heights
City and County of Denver

also known as Units 1, 2, 3, 4 and 5, Trison Condominiums, according to the Declaration recorded September 10, 1979 at Book 2011, Page 330 of the records of the Clerk and Recorder of the City and County of Denver.

1. Maintenance of General Common Elements. All members shall keep the general common elements clean. Trash may not be kept in any common element at any time, and must instead be placed in the trash receptacle at the rear of the building. General common elements may not be used for individual storage. Members' boxes, bicycles, wood, and any other personal property must be kept in their Unit or in the designated special common elements associated with their Unit.

2. Laundry Room.

(a) When a member's load of laundry is finished it should be immediately removed by that member. If a member's load of laundry is finished but remains in a machine, another member may carefully remove it and place it on a table or other clean surface. No laundry should be left in the laundry room for any extended period of time, and in no event should it be left overnight.

(b) The laundry machines must not be overloaded. Damage caused by such overloading shall be the sole responsibility of any member who overloads the machines.

(c) The dryer lint trap must be cleaned before every use. Sheets of fabric softener may not be used in

existing dryer. Damage caused by failing to clean the trap or using fabric softener sheets shall be the sole responsibility of the member causing such damage.

(d) Lights in the laundry room and in the hall leading to the laundry room shall be turned off when the laundry room is not in use.

(e) Each member shall be responsible for his own detergent and other laundry supplies. No member may use another member's laundry supplies without that member's consent.

3. Pets.

(a) No pets are permitted, except by variance.

(b) The criteria for deciding whether to grant a pet variance shall include, but shall not be limited to:

(i) The type of animal for which a variance is sought.

(ii) The size of the animal.

(iii) The demeanor of the animal.

(iv) The number and types of animals for which variances have already been granted, both in the unit in question and in the building as a whole.

(c) All pets permitted by variance shall be kept in accordance with the following restrictions:

(i) No animals are permitted in any interior common element except when in transit to and from Units, and at all times during this transit all pets must be kept under the strict control of their owner. In the case of dogs, "strict control" means leashed. At all other times animals must be either outside or in the owner's Unit.

(ii) No cat boxes are permitted in any interior common elements.

(iii) No member's dog shall be permitted in the exterior common elements without being leashed.

(iv) Each member owning a pet shall be responsible not only for keeping his Unit free of pet waste, debris, and odor, but also all common elements free of pet waste, debris and odor regardless of the origin of that waste, debris and odor.

(v) Pets shall be kept reasonably quiet so as not to disturb other members. No pet shall pose a nuisance to any other member.

4. **Children.** No children under the age of eighteen (18) may permanently reside in any Unit. All children, whether visiting or permanent, shall be kept reasonably quiet so as not to disturb other members.

5. **Heating Plant.** The members shall be responsible for sharing the duty of keeping the boiler filled and drained. No member may unilaterally change the temperature setting on the master thermostat without the prior consent of the Board.

6. **Security.** Each member is responsible, for himself and his dependents and guests, for keeping all exterior doors shut and locked at all times.

7. **Mail.** Individual members' mail boxes are locked. Because of the small size of the boxes, mail should be removed each day. Arrangements should be made with the post office if any member plans to be unable to pick up his mail for any extended period. Oversized mail or other mail not left in the boxes should not be left in common areas.

8. **Tenants.** The Declaration provides that the Units may be rented. In order to fully protect each member's interest in his Unit, the members hereby agree that such renting shall be accomplished as follows:

(a) A member desiring to rent his Unit shall use a standardized residential lease, in a form approved by the Board. That form of lease shall require a Tenant to comply with all these Rules and Regulations, as well as with the Covenants contained in the Declaration, and shall also contain the following provision:

"If the Board of Directors of the Association determines that Tenant is violating any of the Association Rules and Regulations, or any of the Covenants, it may notify the Landlord in writing of such violations and of the fact that the Association requests that the Tenant be evicted. If the Landlord does not begin eviction proceedings within thirty (30) days of his receipt of such notice, Landlord hereby irrevocably appoints the Association as

his agent to commence such proceedings, provided, however, the Association shall not commence such proceedings until after a special meeting of the members is held, at which meeting Landlord shall have an opportunity to discuss whether eviction should be commenced."

(b) If a member desiring to rent his Unit also wishes to employ a property manager, that property manager must be approved in advance by the Board.

9. "For Sale" and "For Rent" Signs. No "For Sale," "For Rent" or similar signs may be placed in or on any Unit window. The placement of any "For Sale" or "For Rent" or similar signs on exterior common elements must be approved in advance by the Board.

10. Parking. Each of the Units has one assigned parking space. The spaces for Units 1, 2, 3 and 4 are under the Carport as designated in the Declaration. The Unit 5 parking space is near the southeast corner of the parking area. No member may park more than one vehicle in his allotted space, and may not park in any other members' allotted spaces without that member's prior consent. Cars may not be parked in any assigned space so as to block other members' access to and from their assigned space.

11. Enforcement of Rules and Regulations. The Board shall enforce these Rules and Regulations, and the Covenants contained in the Declaration, according to the following procedures:

(a) Variations.

(i) Any member seeking a variance from these Rules and Regulations or from the Covenants shall apply in writing to the President, except that if the applicant is the President, he shall apply to another officer. Such application shall state the nature of the variance requested, the reason for the request, and if applicable, the date on which the activity for which a variance is sought was commenced.

(ii) The President or other officer shall call a special meeting to be held within ten (10) days of the date he receives the request, and the Board shall consider the variance at that meeting. In ruling on a request for variance, the Board shall balance the individual needs of the applicant--considering all his special circumstances--against the impact such variance might have on the property

as a whole. A variance is granted by the affirmative vote of the majority of the Directors presently provided, however, that if the applicant is also a Director, he may not participate either in the vote or in calculation of the quorum.

(iii) In lieu of the formal hearing procedure outlined above, any request for variance may be granted in counterparts by the written and dated approval of a majority of Directors, excluding the applicant, provided such approvals are dated within a period of one week of each other.

(b) Complaints.

(i) Any member may make a formal written complaint delivered to any Director other than himself, alleging that another member has been or is violating the Rules and Regulations or the Covenants.

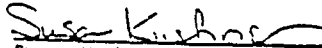
(ii) Upon receipt of such a complaint, the Director shall deliver a copy of the complaint to all other Directors. The President shall call a special meeting, to be held within ten days of the receipt of the complaint, at which the Board shall determine whether the Complaint, if true, appears to accurately state a violation of these Rules and Regulations or the Covenants. If the Board rules that the Complaint does not state a violation, it shall immediately respond to the complaining member in writing explaining why the activity complained of does not violate these provisions or the Covenants. If the Board determines the activity complained of does appear to be in violation of these Rules and Regulations or the Covenants, it shall immediately notify the offending member in writing that he has three (3) days in which to either (1) correct the offending behavior; (2) submit a request for a variance; or (3) object to the Complaint in writing stating why he does not believe his behavior violates the Rules and Regulations or the Covenants. Said notice shall be delivered in person or by certified mail, return receipt requested. Copies of all Board responses to Complaints shall likewise be delivered to all members personally or by certified mail, return receipt requested.

(iii) If the President or other officer receives a written objection to a Complaint, he shall hold a special meeting within ten (10) days of receiving such objection, and at that meeting shall determine, after providing both the complaining and objecting

parties an opportunity to be heard, whether the activity in question has taken place and whether it does indeed violate the Rules and Regulations or Covenants. If the Board determines at this meeting that the objecting party is violating the Rules and Regulations or the Covenants, it shall by written order direct the offending member to cease and desist future violations. It may also assess the offending member the cost of any repairs necessitated by the violation. If the violation is the first violation by the member, the Board's order shall advise the member that any future violation will result in the member's disenfranchisement at meetings pursuant to Article V.3 of the Articles of Incorporation. If the violation is the second violation, the Board's order shall state that the member is disenfranchised from voting at meetings until he is in compliance with all the Rules and Regulations and Covenants. Said order shall be rendered within three (3) days of the hearing, and shall be delivered to all members personally or by certified mail, return receipt requested.

(iv) In addition to the aforesaid powers, the Board may also enforce these Rules and Regulations and the Covenants by seeking injunctive relief in the courts, the cost of which, including reasonable attorneys fees, shall be borne entirely by the offending member who shall be separately assessed for such costs and attorneys' fees.

Dated this 21st day of September 1987.


Susan Kushner
Secretary

090210

SEP 20 PM 9 51

S. J. SERAFIN
COUNTY CLERK
DENVER COUNTY

CONDOMINIUM DECLARATION

2011 330

FOR

THE TRIANON CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

WHEREAS, DANLIA PROPERTIES, INC., (hereinafter called the Declarant) is the owner of real property described as Lots 30-34 inclusive, except that portion to City for alley, Block 9, More's Park Heights, City & County of Denver; and

WHEREAS, there presently exists on said real property a multi-story apartment building and garage, which improvements are commonly known as 2034 Dahlia Street, Denver, Colorado; and

WHEREAS, Declarant desires to convert said complex into a condominium project under the Condominium Ownership Act of the State of Colorado to wit: C.R.S. '73, Section 38-33-101 et seq. (as amended), to be known as The Trianon; and

WHEREAS, Declarant does hereby establish a plan for the ownership in fee simple of the real property estate, subject to the easements, restrictions, reservations, conditions, and assessments as set forth in this Declaration, consisting of the area or space contained in each of the air space units in the building improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining property, which property is hereinafter defined and referred to as common elements.

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

1. Definitions. Unless the context expressly provides otherwise, definitions shall be as follows:

"Unit" means one individual air space which is contained within the windows, doors and unfinished perimeter walls, floors and ceilings of each unit identified and depicted on the Map to be filed for record, together with all fixtures and improvements therein contained but not including any of the Common Elements of the buildings if any, located within the Unit. The exact boundaries of a Unit are the interior unfinished surfaces of such walls, floors and ceilings which mark the perimeter boundaries thereof and where found along such walls, floors and ceilings, the interior surfaces of built-in fireplaces with their flues in the closed position and windows and doors in their closed positions.

"Condominium Unit" means the fee simple interest and title in and to a Unit, together with the undivided interest in the Common Elements appurtenant to such Unit, and all other rights and burdens created by this Declaration, the Articles of Incorporation and By-Laws.

"Owner" means a person, persons, corporation, partnership, association or other legal entity, or any combination thereof, which own(s) an interest in a Condominium Unit but excluding, however, any such person having an interest therein merely as a Mortgagee (unless such mortgagee has acquired fee simple title to a Condominium Unit pursuant to foreclosure or any proceedings in lieu thereof).

"Common Elements" means and includes all of the land described hereinabove and all the improvements thereto and thereon located, excluding Units. Common Elements shall consist of the General Common Elements and Limited Common Elements.

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"General Common Elements" means and includes the land described hereinabove; the structural components of the buildings, including, but not limited to, the foundations, columns, girders, beams, supports, perimeter and supporting walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances and exits, basements, yards, gardens, parking and storage spaces; the mechanical installations of the buildings consisting of the equipment and materials making up any central services such as power, light, gas, hot and cold water, heating, refrigeration, central air conditioning and incinerating, which exist for common use; such enclosed air spaces in the buildings as are provided for community, recreation, utility and common use of all Owners; and all other parts of such land and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land, all of which shall be owned, as tenants in common, by the Owners of the separate Units, each Owner of a Unit having an undivided interest in such General Common Elements as is hereinafter provided. General Common Elements shall include all tangible physical properties of this project except Limited Common Elements and the Units.

"Limited Common Elements" means those parts of the Common Elements which are either limited to and reserved for the exclusive use of an Owner of a Condominium Unit or are limited to and reserved for the common use of more than one but fewer than all of the Condominium Unit Owners, which shall include by way of illustration and not limitation, balconies and patios, which are specifically designated as being part of a particular Condominium Unit, parking areas which are specifically assigned to a particular Condominium Unit and storage areas which are specifically assigned to a particular Condominium Unit.

"Articles" means the articles of incorporation of the Association created in these Declarations.

"Association" means the Association formed as a Colorado not-for-profit corporation bearing the name of this Condominium Project.

"Board" or "Board of Directors" means the governing body of the Association as provided in the Articles of Incorporation and By-Laws.

"Building" means one or more of the building improvements erected within the Condominium Project.

"By-Laws" means the By-Laws of the Association created in these Declarations.

"Common Expenses" means and includes (i) expenses of administration, operation and management, repair or replacement of the Common Elements; (ii) expenses declared Common Expenses by the provisions of this Declaration or by the By-Laws of the Association; (iii) expenses agreed upon as Common Expenses by the Association; and (iv) all sums lawfully assessed against the Owners by the Association.

"Condominium Project" means all of the land and improvements initially submitted by this Declaration.

"Declaration" means this Declaration and any amendments thereto.

"Guest" means any agent, employee, tenant, guest, licensee or invitee of an Owner.

"Managing Agent" or "Manager" means the person employed by the Board to perform the management and operational functions of the Project.

"Map" or "Condominium Map" means the engineering survey of the land aforesaid identifying and depicting the improvements, and the floor and elevation plans of the Units.

"Mortgage" means any mortgage, deed of trust or other assignment or security instrument creating a lien on any Condominium Unit and "Mortgages" shall include any grantee, beneficiary or assignee of a Mortgage.

"Person" means an individual, corporation, partnership combination, association, trustee or any other legal entity.

2. Division of Property Into Condominium Units. The real property described hereinabove, including the improvements thereon, is hereby divided into five (5) fee simple estates as set forth on the Map. Each such estate shall consist of the separately designated Unit and the undivided interest in and to the Common Elements, as follows:

Unit 1 -- 24 percent
Unit 2 -- 21 percent
Unit 3 -- 24 percent
Unit 4 -- 21 percent
Unit 5 -- 10 percent

3. Limited Common Elements. The Limited Common Elements shall be identified on the Map; provided, however, that any court, patio, balcony, or deck which is accessible from, associated with and which adjoins a Unit, without further identification, shall be deemed to be a Limited Common Element. Limited Common Elements shall be used in connection with the appurtenant Unit to the exclusion of the use thereof by the other Owners, except by invitation. All of the Owners shall have a non-exclusive right in common with all of the other Owners to the use of sidewalks, pathways and driveways located within the entire Condominium Project. No reference thereto, whether such Limited Common Elements are exclusive or non-exclusive, need be made in any lease, assignment of lease, sublease, deed of trust, mortgage or other instrument.

4. Description of Condominium Unit.

(a) Every contract for the sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying Unit designation, followed by the words "The Triamon Condominiums." The location of such Condominium Unit shall be depicted on the Map subsequently recorded. Upon recordation of the Map in the office of the Clerk and Recorder of the City and County of Denver, Colorado, such description shall be conclusively presumed to relate to the thereon described Condominium Units.

(b) After the Map and this Declaration have been recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado, every contract, deed, lease, mortgage, trust deed, will or other instrument may legally describe a Condominium Unit as follows: Condominium Unit ____; The Triamon Condominiums, in accordance with the Declaration, recorded on the ____ day of ____, 19__, in Book ____ at Page ____, and Condominium Map recorded on the ____ day of ____, 19__, in Book ____ at Page ____ of the City and County of Denver, Colorado, Records together with the right to the exclusive use of parking space No. ____ and storage space No. ____ . Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Unit, but also the undivided interest in the Common Elements appurtenant to the said Unit and all other appurtenant properties and property rights, and incorporate all of the rights and burdens incident to ownership of a Condominium Unit and all of the limitations thereon as described in this Declaration and Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an Owner's Unit and use of all of the Limited Common Elements appurtenant to said Unit as well as all the General Common Elements.

(c) The reference to the Map and Declaration in any instrument shall be deemed to include any supplements or amendments to the Map or Declaration, without specific reference(s) thereto.

5. Condominium Map. The Map may be filed for record in whole or in parts. Each such Map shall be recorded prior to the conveyance of the Condominium Units shown thereon. Each such Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the building; the floor and elevation plans; the location of the Unit within the building, both horizontally and vertically; the thickness of the common walls between or separating the Units; the location of any structural components of the building located within a Unit; and the Condominium Unit designations. Each such Map shall contain the certificate of a registered

engineer or land surveyor certifying that the Map substantially depicts the location, and the horizontal and vertical measurements of the Units, the Unit designations, and the elevations of the constructed unfinished floors and ceilings, and that such Map was prepared subsequent to substantial completion of the improvements. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries. Declarant reserves the right to amend the Map, from time to time, to conform the same according to the actual location of any of the constructed improvements and to establish, vacate and relocate easements as required by the providing utility companies. Declarant's rights under this Section shall terminate upon the earliest of the following events: (1) sale and conveyance of all condominium units by the Declarant to purchasers, or (2) December 31, 1980.

6. Inseparability and Non-Partitionability. Each Unit, the appurtenant Limited Common Elements and the appurtenant individual interest in the Common Elements shall together comprise one Condominium Unit, shall be inseparable and may be conveyed, leased, devised or encumbered only as a Condominium Unit. The Common Elements shall remain undivided, except as otherwise provided herein, and each Owner waives whatever rights he has to institute or maintain an action to partition.

7. Separate Assessment and Taxation - Notice to Assessor. Declarant shall give written notice to the assessor of the County of Denver, Colorado, of the creation of Condominium Ownership on this Property, as is provided by law, so that each Unit and the undivided interest in the common elements appurtenant thereto shall be deemed a separate parcel of real estate for purposes of separate assessment and taxation. The Association upon the request of any first Mortgagee, shall furnish proof that all taxes, real estate assessments and charges shall relate only to the individual Condominium Unit and not to the Condominium Project as a whole.

8. Use of General and Limited Common Elements. Each Owner may use the Common Elements to his Unit in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Association may adopt rules and regulations governing the use of General and Limited Common Elements, but such rules and regulations shall be uniform and non-discriminatory. Each Owner, by the acceptance of his deed or other instrument of conveyance or assignment agrees to be bound by any such adopted rules and regulations.

9. Use and Occupancy of Condominium Apartments. Each Owner shall be entitled to the exclusive ownership and possession of his Condominium Unit. Each Condominium Unit shall be used for residential purposes only, and no Condominium Unit shall be occupied for living or sleeping purposes by more persons than it was designed to accommodate safely. For the purpose of the foregoing sentence, each Condominium Unit shall be deemed to have been designed to accommodate safely a maximum of two permanent occupants per bedroom. No Condominium Unit shall be used at any time for any business or commercial activity, except as follows: (i) the Owner thereof may lease or rent each Condominium Unit for private residential, living or sleeping purposes; (ii) Declarant or its nominee may use any Condominium Unit(s) as a model or sales unit until all Units owned by Declarant are sold; and (iii) the Association shall have the right but not the obligation to purchase and own any Condominium Unit for a manager's residence, storage, recreation, or conference area or any other use which the Association determines is consistent with the operation of the Project and the Association may also maintain offices, within the General Common Elements.

10. Easements for Encroachments. If any portion of the Common Elements encroaches upon a Unit or Units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of a Unit encroaches upon the Common Elements, or upon an adjoining Unit or Units, an easement for the encroachment and for the maintenance of the same, so long as it stands, shall and does exist, and such encroachment(s) shall not be considered or determined to be encumbrances either on the Common Elements or on the Units for purposes of marketability of title or other purposes.

11. Termination of Mechanic's Lien Rights and Indemnification. Subsequent to the completion of any alterations, modifications or additions to

the improvements described on the Map, no labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner, his agent, his contractor or subcontractor, shall be the basis for filing of a lien against the Condominium Unit of any other Owner not expressly consenting to or requesting the same. Each Owner shall defend, indemnify and hold harmless each of the other Owners and mortgagees from and against all liability arising from the claim of any lien against the Condominium Unit of any other Owner for labor, materials, or services of subcontractors incorporated in his Unit at his request. At the written request of any Owner, the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien and all costs incidental thereto, including attorneys' fees. If not promptly paid, the Association may proceed to collect the same in the manner provided herein for collection of assessments for the purpose of discharging the lien. The provisions herein contained are subject to the rights as set forth in paragraph 13. Notwithstanding the foregoing, any Mortgagee of a Condominium Unit who shall become the Owner of such Condominium Unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims arising prior to the date such Mortgagee becomes an Owner.

12. The Triplex Condominium Association.

(a) General Purposes and Powers. The Association through the Board or Managing Agent shall perform functions and hold and manage property as provided in this Declaration so as to further the interests of Owners of the Units in the Project. The Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the Project and to perform all of the duties required of it. Notwithstanding the above, unless at least eighty percent (80%) of the first Mortgagees of Condominium Units (based upon one vote for each first mortgage owned or held) have given their prior written approval, the Association shall not be empowered or entitled to:

- (1) by act or omission, seek to abandon or terminate the Condominium regime.
- (2) partition or subdivide any Condominium Unit.
- (3) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements.
- (4) use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.

(b) Membership. The Owner of a Unit shall automatically become a member of the Association and shall remain a member for the period of his ownership. If the fee simple title to a Unit is held by more than one person, each co-tenant of the Unit shall be a member of the Association. Memberships in the Association shall be limited to Owners of Units in the Project.

(c) Board of Directors. The affairs of the Association shall be managed by the Board of Directors which may by resolution delegate any portion of its authority to an executive committee or to a Director or Managing Agent for the Association. There shall not be less than three nor more than five members of the Board of Directors, the specific number to be set forth from time to time in the By-Laws, all of whom shall be Owners elected by the Owners. The terms of at least one-third of the Board shall expire annually.

(d) Voting of Owners. Each Owner shall be entitled to one vote for each Unit owned by said Owner. When more than one person owns a particular Condominium Unit, they shall appoint one of their co-members as proxy to cast the vote of that membership. Each vote shall be cast on the basis thereof have agreed, but in no event shall more than one vote per membership be cast with respect to any one Unit. If the co-members cannot agree on the manner in which their vote should be cast when called upon to vote, they shall be treated as having abstained.

(e) By-Laws and Articles. The purposes and powers of the Association and the rights and obligations with respect to Owners set forth in this Declaration may and shall be amplified by provisions of the Articles and By-Laws of the Association.

13. Reservation for Access - Maintenance, Repair and Emergencies.

(a) The Owners shall have the irrevocable right, to be exercised by the Manager or members of the Board, or employees or subcontractors of the Association, to have access to each Unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements therein or accessible therefrom, or at any hour for making emergency repairs, maintenance of inspection therein necessary to prevent damage to the Common Elements or to another Unit.

(b) Damage to the interior or any part of a Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Unit, shall be Common Expense of all of the Owners; provided, however, that if such damage is caused by negligent or tortious acts of a Unit Owner, members of his family, his agent, employee, invitee, licensee or tenants, then such Unit Owner shall be responsible and liable for all of such damage and the cost thereof shall forthwith become said Unit Owner's obligation. All damaged improvements shall be restored substantially to the same condition in which they existed prior to the damage. All maintenance, repairs, and replacement of the Common Elements, whether located inside or outside of Units (unless necessitated by the negligence, misuse or tortious act of a Unit Owner, in which case such expense shall be charged to such Unit Owner), shall be the Common Expense of all of the Owners.

14. Maintenance Responsibility.

(a) Owner:

(1) For purposes of maintenance, repair, alteration and remodeling, an owner shall be deemed to own the interior non-supporting walls, the materials such as, but not limited to, plaster, drywall, paneling, wallpaper, paint, wall and floor tile and flooring, but not including the sub-flooring which makes up the finished surfaces of the perimeter walls, ceiling and floors within the unit, including unit doors and windows. The Owner shall not be deemed to own lines, pipes, wire, conduits or mechanical systems (which are the General Common Elements and for brevity are herein and hereafter referred to as "utilities") running through his Unit which serve one or more other Units except as a tenant in common with the other Owners. Such utilities shall not be disturbed or relocated by an Owner without the written prior consent and approval of the Board.

(2) An Owner shall maintain and keep in good repair and in clean, safe, attractive and sightly condition the interior of his own Unit, including the fixtures, doors and windows thereof and the improvements affixed thereto, and such other items and areas as may be required in the By-Laws. Also an Owner shall maintain, clean and keep up in a neat and clean condition the deck and/or patio area adjoining and/or leading to a Unit, if any, which areas are shown on the Map as Limited Common Elements appurtenant to such Owner's Unit. All fixtures and equipment installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. If any Owner fails to carry out or neglects the responsibilities set forth in this paragraph, the Association may fulfill the same and charge such Owner therefor. Any expense incurred by an Owner under this paragraph shall be the sole expense of said Owner.

(b) Association:

Subject to subsection (a) of this Section 14, the Association shall have the duty of maintaining and repairing all of the Common Elements within the project and the cost of said maintenance and repair shall be a Common Expense of all of the Owners.

15. Compliance With Provisions of Declaration, Articles and By-Laws of the Association. Each Owner shall comply strictly with, and shall

cause each of his Guests to comply strictly with, all of the provisions of this Declaration and the Articles and By-Laws of the Association, and the decisions, rules, regulations and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, along with costs of suit and reasonable attorney's fees, maintainable by the Managing Agent or Board of Directors in the name of the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

16. Revocation or Amendment to Declaration.

(a) This Declaration shall not be amended or revoked unless eighty percent (80%) of the Owners and one hundred percent (100%) of the holders of recorded first mortgages or deeds of trust consent and agree to such amendment or revocation; provided, however, that the undivided interest in Common Elements appurtenant to each Unit shall have a permanent character and shall not be altered without the consent of all of the Owners and all of the first mortgagees. The consent(s) of any junior mortgagee shall not be required under the provisions of this paragraph.

(b) The Association shall, at least thirty (30) days prior to the effective date of any amendment to this Declaration, notify the holders of all recorded mortgages or deeds of trust affecting Condominium Unit(s) of such amendment. No such amendment or revocation shall be effective unless and until it is duly recorded.

17. Additions, Alterations and Improvements - General and Limited Common Elements. There shall be no capital additions, alterations or improvements of or to the Common Elements by the Association requiring an expenditure in excess of One Hundred Dollars (\$100.00) per Unit in any one calendar year without prior approval of a majority of the Owners except in the event of an emergency. Said amount per Unit shall never be less than the aforesaid limitation but shall be increased to the extent applicable, every third year hereafter proportionate to any increase in the Consumer Price Index, using the factor for January, 1979, as the base criterion as promulgated by the U.S. Department of Labor, and as interpreted by the University of Denver so that it specifically applies to the area of Denver, Colorado, or such other comparable index if the foregoing is not available. Such limitation, as adjusted, shall be in addition to the customary operating and ownership Common Expenses elsewhere defined in this Declaration.

18. Assessment for Common Expenses.

(a) All Owners shall be obligated to pay the estimated assessments imposed by the Board to meet the Common Expenses and reserves. The assessments shall be apportioned equally among the Owners of Units 1, 2, 3 and 4, the Owner of Unit 5 shall be obligated to pay at the rate of 50 percent of the assessment of the other Units. Subject to specific provisions elsewhere provided in this Declaration, the Limited Common Elements shall be maintained as General Common Elements (except, however, this shall not impose upon the Association the obligation to clean patios, assigned storage lockers and assigned parking spaces), and Owners having exclusive use thereof shall not be subject to any special charges or assessments for the repair or maintenance thereof. Assessments for the estimated Common Expenses shall be due in advance on the first day of each calendar month, or less frequently as may be determined by the Board. The Board shall cause to be prepared and delivered to each Owner at least once each year a statement setting forth the estimated common assessments. Regarding any special assessments, the Board may implement such procedure as they deem appropriate.

(b) Assessments shall be based upon the cash estimated by the Board to be needed to provide for the payment of all expenses of maintenance, repair, operation, additions, alterations and improvements of and to the Common Elements and community personal property owned by the Association; expenses of management; taxes and special assessments until separately assessed; premiums for insurance; landscaping and care of grounds; common lighting; heating; water charges, trash collection, legal and accounting fees; wages, for the creation of a reasonable contingency reserve, working capital and sinking funds, as well as other costs and expenses relating to the Common Elements.

(c) The omission or failure to fix the assessment, or deliver or mail a statement for any period shall not be deemed a waiver, modification or a release of the Owners from their obligations to pay the same.

(d) The Board shall establish a reserve fund for repair and replacement of the Common Elements and such reserve fund shall be funded through the monthly payments of the Common Expenses and not by extraordinary special assessments.

(e) Any Owner or Mortgagee may, pursuant to C.R.S. Section 38-33-107, as amended, inspect the Association's records of receipts and expenditures at any reasonable time, and, upon 10 days' notice to the Board of Directors or Managing Agent, if any, any Owner or first Mortgagee shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing such Owner.

19. Insurance. The Board shall obtain and maintain at all times a policy or policies of insurance issued by insurance companies authorized to do business in the State of Colorado insuring the General and Limited Common Elements of the Condominium Project with coverages for fire, extended coverage, vandalism and malicious mischief and including such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other condominium buildings, fixtures, equipment and personal property similar in construction, design and use. The insurance shall be carried in blanket policy form naming the Association as the insured, which policy or policies shall identify the interests of each Owner and which shall provide for a standard, non-contributory mortgagee clause in favor of each first mortgagee. There shall be in effect at all times insurance in the amount of 100 percent of the appraised value. There shall also be a boiler explosion endorsement in the amount of \$50,000 per accident. In the event that this property is determined at some time in the future to be in a flood hazard area, the Association shall have a duty of insuring it for that hazard also. If any employees are hired by the Association or Board, a workman's compensation policy shall be carried. Public liability and property damage insurance in such limits as the Board of Managers of the Association may from time to time determine, but not in an amount less than \$500,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest" endorsement. In addition, the Association may carry any additional policies it feels are necessary or beneficial.

20. Owner's Personal Obligation for Payment of Assessments.

(a) The amount of the Common Expenses assessed against each Condominium Unit shall be the personal and individual debt of the Owner thereof. No Owner may exempt himself from liability for his contribution for the Common Expenses by waiver of the use or enjoyment of any of the Common Elements or by abandonment of this Unit. Suit to recover a money judgment for unpaid Common Expenses, and costs of suit and attorneys' fees, shall be maintainable without foreclosing or waiving the lien securing the same.

(b) Unless otherwise provided by the Board, all assessments are due within ten (10) days from the date of assessment. If any assessment shall remain unpaid after 10 days after the due date thereof, the Board of Directors or Managing Agent may impose a penalty on such defaulting Owner in an amount equal to 1.5% of such assessment. Likewise, a penalty equal to 1.5% of the unpaid assessment may be imposed on the first day of each calendar month thereafter so long as such assessment shall be unpaid. Upon the default by an Owner in the payment of an assessment, the Association may take whatever lawful action then deemed necessary to collect same, including the commencement of an action. Any defaulting Owner shall be liable for all expenses attendant to the collection of an assessment, including attorneys' fees.

(c) Upon the default by an Owner in the payment of an assessment, the Owner does assign, transfer and set over to the Association all

rents, profits and income derived from his Condominium Unit together with full and complete authority and right to demand, collect, receive and receipt for such rents, profits and income, to take possession of the Condominium Unit without having a receiver appointed therefor, to rent and manage the same from time to time and to apply such rents, profits and income to the indebtedness secured hereby until such indebtedness is paid in full. Such assignment, transfer, and set over shall be subordinate to any similar right held by any first mortgagee of the Unit.

21. Assessment Lien.

(a) All sums assessed but unpaid for the common expenses chargeable to any Condominium Unit shall constitute a lien on such Unit superior to all other liens and encumbrances, except only for real estate taxes and all sums unpaid on the first mortgage or first deed of trust of record. To evidence such lien, the Board shall prepare a written Notice of Assessment Lien setting forth the amount of such unpaid indebtedness, the amount of the accrued interest and late charges thereon, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by one member of the Board or by one of the officers of the Association or by the Manager, and shall be recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado. Such lien shall attach from the date of failure of payment of the assessment. Such lien may be enforced by the foreclosure of the defaulting Owner's Condominium Unit by the Association in like manner as a mortgage on real property.

(b) The Owner of the Condominium Unit being foreclosed shall be required to pay to the Association the monthly assessment for the Condominium Unit during the period of foreclosure, and the Association shall be entitled to collect the same. The Association shall have the power and authority to bid for the Condominium Unit at a foreclosure or other legal sale and to acquire and hold, lease, mortgage, vote the votes appurtenant thereto, convey or otherwise deal with the same during such proceeding and its ownership thereof.

(c) Any encumbrancer holding a lien on a Condominium Unit may pay, but shall not be required to pay, any unpaid Common Expenses payable with respect to such Unit, and upon such payment, such encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the lien of his encumbrance without the necessity of having to record a Notice of Assessment Lien. Upon request of a mortgagee, the Board shall report to the mortgagee of a Condominium Unit any unpaid assessment remaining unpaid for longer than thirty (30) days after the same is due, or other default not cured within thirty (30) days; provided, however, that a mortgagee shall have furnished to the Board notice of such encumbrance.

22. Liability for Common Expenses Upon Transfer of Condominium Is Joint.

(a) The Grantee of a Condominium Unit shall be jointly and severally liable with the Grantor for all unpaid assessments against the latter for the unpaid common assessments levied prior to the time of the grant or conveyance.

(b) Upon the written request of any Owner, prospective owner, mortgagee, or prospective mortgagee of a Condominium Unit, the Board shall issue a written statement setting forth the amount of the unpaid Common Expenses, if any, with respect to the subject Unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for any advanced payments of common assessments and for prepaid items (such as insurance premiums, but not including accumulated amounts for reserves, if any), which statement shall be conclusive upon all persons who rely thereon in good faith. Unless such statement is furnished within twenty (20) days from the date of the request, all unpaid Common Expenses shall be subordinate to the rights of the person requesting such statement.

(c) Notwithstanding the terms and conditions of paragraph 22(a), ~~and~~ in the event of any default on the part of any Owner under any first mortgage or first deed of trust which entitles the holder thereof to foreclose the same, any first mortgagee or assignee of such mortgagee who acquires title

to a condominium unit pursuant to foreclosure or a deed in lieu thereof, shall take such condominium unit free and clear of any lien or liability for unpaid assessments accruing prior to the date such first mortgagee or assignee acquires title to the condominium unit.

23. Encumbrances.

(a) A member who mortgages his Condominium Unit shall notify the Association through the Secretary, giving the name and address of his mortgagee. The Association shall maintain such information in its records.

(b) The Association, whenever so requested in writing by a mortgagee of a Condominium Unit, shall promptly report any then unpaid Common Expenses due from, or any other default by, the Owners of a mortgage Unit, which is not cured within thirty (30) days.

(c) When giving notice to a member of a default in paying Common Expenses or other default, the Board shall send a copy of such notice to each holder of a mortgage or deed of trust covering such Condominium Unit.

(d) The Association shall at least thirty (30) days prior to the effective date of any amendment to the Articles of Incorporation or By-Laws, notify in writing the holders of all recorded mortgages or deeds of trust of any such amendment. Further, the Association shall notify said mortgagees of any changes in the Board or Manager.

(e) Each member and each mortgagee of a Condominium Unit shall be permitted to examine the books of account of the condominium at reasonable times on business days.

(f) An Owner may create a junior mortgage (junior to the lien, deed of trust or other encumbrance of the first mortgagee); provided, however, that any such junior mortgages, liens or encumbrances shall always be subordinate to the prior and paramount lien of the Association for Common Expenses and all of the terms, conditions, covenants, restrictions, uses, limitations and obligations under this Declaration, Articles of Incorporation and By-Laws, and provided further that such junior encumbrancer(s) shall release, for purposes of restoration of any improvements upon the encumbered Condominium Unit, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises by the Association. Such release shall be furnished forthwith by a junior mortgagee upon written request of the Board and if such request is not granted, such release may be executed by a member of the Board as attorney-in-fact for such junior mortgagee.

24. Destruction, Damage or Obsolescence - Association as Attorney-In-Fact.

(a) The Owners hereby irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the property upon its damage or destruction or obsolescence as is hereinafter provided. The Association, by its duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instrument with respect to the interest of a Condominium Unit Owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of all of the Condominium Unit Owners shall be held within thirty (30) days of either such event. At such meeting, a new attorney-in-fact shall be appointed to deal with the property upon its destruction, damage or obsolescence. Said appointment must be approved in writing by eighty percent (80%) of the Owners and eighty percent (80%) of the First Mortgagees. Title to any Condominium Unit is expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of the attorney-in-fact herein provided.

(b) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvement(s), shall be applied by the Association to such reconstruction, and the improvements shall be promptly repaired and reconstructed. The Association shall have full

Owners as a Common Expense, whether or not they have previously consented to the plan of renewal and construction.

(g) The Owners representing an aggregate ownership interest of eighty percent (80%) of the Common Elements may agree that the Condominium Units are obsolete and that the same should be sold. Such plan or agreement must have the approval of one hundred percent (100%) of the first mortgagees. In such instance, the Board shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice, the entire premises shall be sold by the Board for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation and the By-Laws. The sale proceeds shall be apportioned among the Owners on the basis of each Owner's interest in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Association and shall be further identified by the Condominium Unit designation and the name of the Owners. From each separate account, the Board shall use and disburse the total amount of each such account, without contribution from one account to another for the same purposes and in the same order as provided in subparagraph (h) of this paragraph.

(h) Proceeds shall be used and disbursed by the Association in the following order:

- (1) For payment of the customary expenses of sale.
- (2) For payment of taxes and other lien enjoying similar priority.
- (3) For payment of the balance due the first mortgagee.
- (4) For payment of unpaid Common Expenses.
- (5) For payment of junior encumbrances in the order of their priority.
- (6) The balance remaining to the Owner.

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

(a) Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award" shall be payable to the Association.

(b) Complete Taking.

(1) In the event that the entire Condominium Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the owners on the same basis of each Condominium Unit Owner's interest in the Common Elements; provided, however, if a different standard is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

(2) On the basis of the principle set forth in the last preceding paragraph, the Board shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 24(h).

(c) Partial Taking. In the event that less than the entire Condominium Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium Ownership hereunder shall not terminate. As soon as practicable, the Board shall, reasonably and in good

authority, right and power to cause the repair and restoration of the improvements. Assessments for Common Expenses shall not be abated during the period of insurance adjustments and repair and reconstruction.

(c) If the insurance proceeds are insufficient to repair and reconstruct the improvements, and if such damage is not more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, using the insurance proceeds and the proceeds of a special assessment to be made against all of the owners for the balance of the repair and reconstruction costs needed.

(d) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this Project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the Owners and their Condominium Units, provided, however, that Owners representing an aggregate ownership interest of eighty percent (80%) or more of the Common Elements and all of the first Mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association pursuant to the provisions of this paragraph, as attorney-in-fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation and Bylaws. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Owner's interest in the Common Elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount of each of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any First Mortgagee encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire Property. Such apportionment shall be based upon each Condominium Unit Owner's interest in the common elements. The total funds of each account shall be used and disbursed, without contribution, from one account to another by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in section (h)(1) through (6) of this section.

(e) In the event of such damage or destruction under subparagraph (d) of this paragraph, and if a plan for repair, replacement and reconstruction is adopted as therein provided, then all of the Owners shall be bound by the terms and other provisions of such plan. Any assessment made in connection with such plan shall be a Common Expense and made pro rata according to each Owner's interest in the Common Elements and shall be due and payable as provided by the terms of such plan. The Board shall have full authority, right and power to cause the repair, replacement or restoration of improvements using all of the insurance proceeds for such purpose, notwithstanding the failure of an Owner to pay the assessment. The Board shall have the absolute right and power to sell the Unit of any Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Board shall cause to be recorded a notice that the Unit of the delinquent Owner shall be sold by the Board. The proceeds derived from the sale of such Unit shall be used and disbursed by the Association as attorney-in-fact for the same purposes and in the same order as is provided for in subparagraph (h) of paragraph 24. Assessments for Common Expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

(f) Upon an affirmative vote of eighty percent (80%) of the Owners, the Common Elements may be declared to be obsolete and, upon the approval of one hundred percent (100%) of the first mortgagees of record, a plan may be adopted for the renewal and reconstruction of such Common Elements. The expense of renewal and reconstruction shall be payable by all of the

faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners, as follows: (1) the total amount allocated to the taking of or injury to the Common Elements shall be apportioned among the Owners on the basis of each Owner's interest respectively, in the Common Elements; (2) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (3) the respective amounts allocated to the taking of or injury to a particular Unit and to improvements an Owner has made within his own Unit shall be apportioned to the particular Unit involved; and (4) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Board determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree or otherwise, then in allocating the Condemnation Award, the Board shall employ such allocation to the extent it is relevant and applicable. Distribution of the apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in Section 24(h).

26. Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association and shall cease to hold any right, title or interest in the Condominium Project. Thereafter, the Board shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception (square footage ratio) and shall submit such reallocation to the owners and first mortgagees of remaining Units for amendment of this Declaration as provided in Section 16.

27. Reconstruction and Repair. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Section 24.

28. Registration of Mailing Address. Each Owner and first mortgagee shall notify the Board of his mailing address. Notices or demands intended to be served upon the Owner shall be sent by mail, postage prepaid, addressed in the name of the Owner at such address. Copies of such notices shall be sent to first mortgagees in a like manner, except when such notices pertain to matters specifically relating to mortgage(s), and then such notice shall be sent by certified or registered mail.

29. Period of Condominium Ownership. The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as is provided in paragraph 16 of this Declaration or until terminated in the manner as is provided in paragraphs 24 and 25 of this Declaration.

30. Parking Spaces and Storage Lockers. All assigned parking spaces and assigned storage lockers shall be Limited Common Elements. Any and all other parking areas and storage areas located on the Condominium Project shall be under the control of the Association for the use of all of the Condominium Unit Owners on a non-discriminatory basis.

31. Assessment Reserves. Each Owner shall be required to deposit at the time of initial purchase and thereafter to maintain with the Association the amount of Three times the monthly assessment, which sum shall be used as a reserve for paying such Owner's monthly common assessment, for capital repairs and/or replacements, purchase of equipment and/or replacements, purchase of equipment and for extraordinary common expenses. Such advance payment shall not relieve an Owner from making the regular monthly common assessment as the same comes due. Upon the sale of his Condominium Unit, an Owner shall be entitled to a credit from his grantee for any unused portion thereof. Failure to so maintain said fund shall constitute a default on behalf of an Owner. Said funds may be co-mingled and/or invested in common investments. Any interest accruing on such deposit shall not be required to be distributed by the Association. However, such interest, if any, for tax purposes is hereby recognized and declared to be a constructive receipt received by an Owner.

32. Restrictive Covenants and Obligations.

(a) Subject to subparagraph (d) hereof, the property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No structures of a temporary character, trailer, camper, tent, shack, barn or other outbuilding shall be used or permitted to be kept or stored on any portion of the premises at any time either temporarily or permanently.

(b) Notwithstanding any provisions herein contained to the contrary, it shall expressly be permissible for the Declarant, his agent, employees and contractors to maintain during the period of sales of the Condominium Units, upon such portion of the property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the alteration and improvement and sale or rental of Condominium Units and interests, including, but without limitation, a business office, storage area, construction yards, signs, model units, sales office, construction office, parking areas and lighting.

(c) No animals, livestock or poultry of any kind shall be raised, bred or kept on the property, except that dogs, cats or other household pets may be kept; provided, however, that the right to keep a household pet shall be coupled with the responsibility to pay for any damage caused by an Owner's pet. Every Owner of a pet shall maintain strict control over his pet and shall prohibit the pet from making loud, disturbing noises or any other behavior reasonably annoying to other Owners.

(d) No advertising signs, unsightly objects or nuisances shall be erected, placed or permitted to remain on the premises, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Condominium Unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in any building or in any portion of the property except those permitted by law and the Board (the exercise of its discretion may be inconsistent only if such activities are categorized as household occupations); provided, further, that the foregoing covenants shall not apply to the business activities, signs and billboards or the construction and maintenance of buildings and improvements, if any, of the Declarant, its agents, contractors and assigns during the construction and sale and rental period and of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth; provided, further, that notwithstanding anything to the contrary, the Owner shall be allowed to post signs of reasonable size and dignified form pertaining to the sale or rental of the Unit.

(e) No nuisance shall be allowed on the condominium property, nor any use or practice which is the source of annoyance to the residents or which interferes with the peaceful enjoyment or possession and proper use of the property by its resident. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage be allowed to accumulate nor any fire hazard to exist. No Unit Owner shall permit any use of his Unit or make use of the Common Elements which will increase the rate of insurance upon the Condominium Property or reduce the value of the Condominium Property.

(f) No immoral, improper, offensive or unlawful use shall be permitted or made of the Condominium Property or any part thereof. All laws, ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

(g) Except for those improvements erected or installed by the Declarant, no exterior additions, alterations or decorating to any buildings, nor changes in fences, hedges, walls and other structures shall be commenced, erected or maintained without the prior written approval of the Board.

(h) Additional and supplemental rules may be adopted by the Board concerning and governing the use of the Units as well as the General and Limited Common Elements; provided, however, that such rules shall be furnished to Unit Owners prior to the time that they become effective and that such rules shall be uniform and non-discriminatory except to the extent the Board has discretionary rights specifically given to it in this Declaration. The implementation of additional or supplemental rules which shall modify any of

the provisions of this Section 32, must be done in accordance with Section 16 of this Declaration.

33. Association Right to Acquire Additional Property. The Association may acquire and hold for the benefit of all of the Condominium Unit Owners tangible property and may dispose of same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Condominium Unit Owners in the same proportions as their respective interest in the Common Elements, and such interest therein shall not be transferable by an Owner except with a conveyance of a Condominium Unit. A conveyance of a Condominium Unit shall transfer to the grantee ownership of the grantor's beneficial interest in all such property interests associated with and appurtenant to the subject Condominium Unit.

34. General Reservations. Notwithstanding any other provisions expressly or impliedly to the contrary contained in this Declaration, the Articles of Incorporation or ByLaws, the Declarant reserves the right to exercise the rights, duties and functions of the Board until the earliest of the following events:

(a) The sale and conveyance of all Condominium Units by the Declarant to Purchasers, or

(b) December 31, 1980.

During such period of development and sale, the monthly assessment for Common Expenses shall be based upon the actual cost, and shall not include any estimated amount for contingencies, reserves or sinking funds. Declarant shall pay its pro rata share of the expenses based upon its ownership of Condominium Units.

35. Title Subject To Declarant's Reservations. Title to and ownership of each Condominium Unit is expressly subject to the reservations set forth in paragraph 34.

36. Acceptance of Provisions of All Documents. The conveyance or encumbrance of a Condominium Unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles of Incorporation, ByLaws, rules and Management Agreement, if any, and shall be binding upon each grantee or encumbrancer without the necessity of inclusion of such an express provision in the instrument of conveyance of encumbrance.

37. Professional Manager. The Association may employ a Professional Manager for the management of this Condominium Project. Any such contract shall be for a term not to exceed three (3) years and shall be terminable upon sixty (60) days written notice by either party without cause and without payment of a termination fee.

38. General.

(a) If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase or word, or the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of this Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

(b) Declarant, as used herein, means the named Declarant, its successors and assigns.

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

(d) That whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

(a) Paragraph titles are for convenience of reference and are not intended to limit, enlarge or change the meaning of the contents of the various paragraphs.

IN WITNESS WHEREOF, Declarant has duly executed this Declaration this 11th day of September, 1979.

Frances Koncilja
Frances Koncilja, President-Treasurer



Whaley
Whaley, Secretary

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

The above and foregoing was acknowledged before me this 11th day of September, 1979, by Frances Koncilja, Declarant.

Witness my hand and official seal.

My Commission expires: 4-28-81



Vince G. Lake
Notary Public

Pursuant to Paragraph 11 of the Condominium Declaration recorded September 20, 1979 in the records of the Clerk and Recorder of the City and County of Denver, and pursuant to Paragraph IV.3(b) of the Association's Bylaws, the following Rules and Regulations are hereby adopted. These Rules and Regulations are intended to supplement the restrictions contained in the Declaration and Bylaws, and shall remain in full force and effect, and shall run with the condominium estate of each Unit, until duly repealed or amended.

The real property to which these Rules and Regulations apply is described as follows:

Lots 30-34 inclusive, except rear portion to City for alley
Block 9
More's Park Heights
City and County of Denver

also known as Units 1, 2, 3, 4 and 5, Trianon Condominiums according to the Declaration recorded September 20, 1979 at Book 2011, Page 330 of the records of the Clerk and Recorder of the City and County of Denver.

1. Maintenance of General Common Elements. All members shall keep the general common elements clean. Trash may not be kept in any common element at any time, and must instead be placed in the trash receptacle at the rear of the building. General common elements may not be used for individual storage. Members' boxes, bicycles, wood, and any other personal property must be kept in their Unit or in the designated special common elements associated with their Unit.

2. Laundry Room.

(a) When a member's load of laundry is finished it should be immediately removed by that member. If a member's load of laundry is finished but remains in a machine, another member may carefully remove it and place it on a table or other clean surface. No laundry should be left in the laundry room for any extended period of time, and in no event should it be left overnight.

(b) The laundry machines must not be overloaded. Damage caused by such overloading shall be the sole responsibility of any member who overloads the machines.

(c) The dryer lint trap must be cleaned before every use. Sheets of fabric softener may not be used in

existing dryer. Damage caused by failing to close the trap or using fabric softener sheets shall be the sole responsibility of the member causing such damage.

(d) Lights in the laundry room and in the hall leading to the laundry room shall be turned off when the laundry room is not in use.

(e) Each member shall be responsible for his own detergent and other laundry supplies. No member may use another member's laundry supplies without that member's consent.

3. Pets.

(a) No pets are permitted, except by variance.

(b) The criteria for deciding whether to grant a pet variance shall include, but shall not be limited to:

(i) The type of animal for which a variance is sought.

(ii) The size of the animal.

(iii) The demeanor of the animal.

(iv) The number and types of animals for which variances have already been granted, both in the unit in question and in the building as a whole.

(c) All pets permitted by variance shall be kept in accordance with the following restrictions:

(i) No animals are permitted in any interior common element except when in transit to and from Units, and at all times during this transit all pets must be kept under the strict control of their owner. In the case of dogs, "strict control" means leashed. At all other times animals must be either outside or in the owner's Unit.

(ii) No cat boxes are permitted in any interior common elements.

(iii) No member's dog shall be permitted in the exterior common elements without being leashed.

(iv) Each member owning a pet shall be responsible not only for keeping his Unit free of pet waste, debris, and odor, but also all common elements free of pet waste, debris and odor regardless of the origin of that waste, debris and odor.

(v) Pets shall be kept reasonably quiet so as not to disturb other members. No pet shall pose a nuisance to any other member.

4. Children. No children under the age of eighteen (18) may permanently reside in any Unit. All children, whether visiting or permanent, shall be kept reasonably quiet so as not to disturb other members.

5. Heating Plant. The members shall be responsible for sharing the duty of keeping the boiler filled and drained. No member may unilaterally change the temperature setting on the master thermostat without the prior consent of the Board.

6. Security. Each member is responsible, for himself and his dependents and guests, for keeping all exterior doors shut and locked at all times.

7. Mail. Individual members' mail boxes are locked. Because of the small size of the boxes, mail should be removed each day. Arrangements should be made with the post office if any member plans to be unable to pick up his mail for any extended period. Oversized mail or other mail not left in the boxes should not be left in common areas.

8. Tenants. The Declaration provides that the Units may be rented. In order to fully protect each member's interest in his Unit, the members hereby agree that such renting shall be accomplished as follows:

(a) A member desiring to rent his Unit shall use a standardized residential lease, in a form approved by the Board. That form of lease shall require a Tenant to comply with all these Rules and Regulations, as well as with the Covenants contained in the Declaration, and shall also contain the following provision:

"If the Board of Directors of the Association determines that Tenant is violating any of the Association Rules and Regulations, or any of the Covenants, it may notify the Landlord in writing of such violations and of the fact that the Association requests that the Tenant be evicted. If the Landlord does not begin eviction proceedings within thirty (30) days of his receipt of such notice, Landlord hereby irrevocably appoints the Association as

his agent to commence such proceedings, provided, however, the Association shall not commence such proceedings until after a special meeting of the members is held, at which meeting Landlord shall have an opportunity to discuss whether eviction should be commenced."

(b) If a member desiring to rent his Unit also wishes to employ a property manager, that property manager must be approved in advance by the Board.

9. "For Sale" and "For Rent" Signs. No "For Sale," "For Rent" or similar signs may be placed in or on any Unit window. The placement of any "For Sale" or "For Rent" or similar signs on exterior common elements must be approved in advance by the Board.

10. Parking. Each of the Units has one assigned parking space. The spaces for Units 1, 2, 3 and 4 are under the carport as designated in the Declaration. The Unit 5 parking space is near the southeast corner of the parking area. No member may park more than one vehicle in his allotted space, and may not park in any other members' allotted spaces without that member's prior consent. Cars may not be parked in any assigned space so as to block other members' access to and from their assigned space.

11. Enforcement of Rules and Regulations. The Board shall enforce these Rules and Regulations, and the Covenants contained in the Declaration, according to the following procedures:

(a) Variances.

(i) Any member seeking a variance from these Rules and Regulations or from the Covenants shall apply in writing to the President, except that if the applicant is the President, he shall apply to another officer. Such application shall state the nature of the variance requested, the reason for the request, and if applicable, the date on which the activity for which a variance is sought was commenced.

(ii) The President or other officer shall call a special meeting to be held within ten (10) days of the date he receives the request, and the Board shall consider the variance at that meeting. In ruling on a request for variance, the Board shall balance the individual needs of the applicant--considering all his special circumstances--against the impact such variance might have on the property

as a whole. A variance is granted by the affirmative vote of the majority of the Directors present, provided, however, that if the applicant is also a Director, he may not participate either in the vote or in calculation of the quorum.

(iii) In lieu of the formal hearing procedure outlined above, any request for variance may be granted in counterparts by the written and dated approval of a majority of Directors, excluding the applicant, provided such approvals are dated within a period of one week of each other.

(b) Complaints.

(i) Any member may make a formal written complaint delivered to any Director other than himself, alleging that another member has been or is violating the Rules and Regulations or the Covenants.

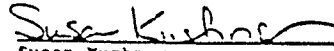
(ii) Upon receipt of such a complaint, the Director shall deliver a copy of the complaint to all other Directors. The President shall call a special meeting, to be held within ten days of the receipt of the complaint, at which the Board shall determine whether the Complaint, if true, appears to accurately state a violation of these Rules and Regulations or the Covenants. If the Board rules that the Complaint does not state a violation, it shall immediately respond to the complaining member in writing explaining why the activity complained of does not violate these provisions or the Covenants. If the Board determines the activity complained of does appear to be in violation of these Rules and Regulations or the Covenants, it shall immediately notify the offending member in writing that he has three (3) days in which to either (1) correct the offending behavior; (2) submit a request for a variance; or (3) object to the Complaint in writing stating why he does not believe his behavior violates the Rules and Regulations or the Covenants. Said notice shall be delivered in person or by certified mail, return receipt requested. Copies of all Board responses to Complaints shall likewise be delivered to all members personally or by certified mail, return receipt requested.

(iii) If the President or other officer receives a written objection to a Complaint, he shall hold a special meeting within ten (10) days of receiving such objection, and at that meeting shall determine, after providing both the complaining and objecting

parties an opportunity to be heard, whether the activity in question has taken place and whether it does indeed violate the Rules and Regulations or Covenants. If the Board determines at this meeting that the objecting party is violating the Rules and Regulations or the Covenants, it shall by written order direct the offending member to cease and desist future violations. It may also assess the offending member the cost of any repairs necessitated by the violation. If the violation is the first violation by the member, the Board's order shall advise the member that any future violation will result in the member's disenfranchisement at meetings pursuant to Article V.3 of the Articles of Incorporation. If the violation is the second violation, the Board's order shall state that the member is disenfranchised from voting at meetings until he is in compliance with all the Rules and Regulations and Covenants. Said order shall be rendered within three (3) days of the hearing, and shall be delivered to all members personally or by certified mail, return receipt requested.

(iv) In addition to the aforesaid powers, the Board may also enforce these Rules and Regulations and the Covenants by seeking injunctive relief in the courts, the cost of which, including reasonable attorneys fees, shall be borne entirely by the offending member who shall be separately assessed for such costs and attorneys' fees.

Dated this 21st day of September 1987.


Susan Kushner
Secretary