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CONDOMINIUM DECLARATION FOR WADSWORTH 4045 CONDOMINIUMS

TABLE OF CONTENTS

	PAGE NO.
ARTICLE I - Definitions	
1.1 Association	1
1.2 Common Elements	1
1.3 Condominium Building	2
1.4 Condominium Map	2
1.5 Condominium Unit	2
1.6 Declarant	2
1.7 Declaration	2
1.8 First Mortgage	2
1.9 First Mortgagee	3
1.10 General Common Elements	3
1.11 Individual Air Space Unit	3
1.12 Limited Common Elements	3
1.13 Owner	3
1.14 Project	3
1.15 Property	3
1.16 Property to be Annexed	3
ARTICLE II - Division of Project Into Condominium Ownership	
2.1 Division Into Condominium Units	4
2.2 Right to Combine Condominium Units	4
2.3 Inseparability	4
2.4 Non-Partitionability	4
ARTICLE III - Condominium Map	
3.1 The Condominium Map	5
3.2 Content	5
3.3 Amendments	5
ARTICLE IV - Owner's Property Rights In Common Elements	
4.1 Rights of Owner's Easements of Enjoyment and Rights of Ingress and Egress	5
4.2 Limited Common Elements	6
ARTICLE V - Membership and Voting Rights in the Association	
5.1 Membership	6
5.2 Classes of Voting Membership	6
5.3 Reservation	6
ARTICLE VI - The Association	
6.1 Management and Maintenance Duties and Duty to Establish Reserve Account	7

PORTIONS OF THIS DOCUMENT
ARE OF POOR QUALITY

6.2	Owner's Negligence: Prohibition of Certain Activities	7
6.3	Management Agreements and Other Contracts	9
6.4	Acquiring and Disposing of Personal Property	9
6.5	Promulgation of Rules and Regulations	9
6.6	New Additions to Common Elements	10
6.7	Contracts Licenses and Agreements	10
ARTICLE VII - Assessments		
7.1	Personal Obligation for Assessments	10
7.2	Amount of Common Expense Assessments	11
7.3	Reserves	12
7.4	Date of Commencement of Annual Common Assessment	12
7.5	Rate of Assessment	12
7.6	Special Assessments	12
7.7	Notice of Quorum for Action Authorized Under Section 7.6	12
7.8	Lien for Assessment	13
7.9	Effect of Non-Payment of Assessment	13
7.10	Successor's Liability for Assessments	13
7.11	Subordination of Association's Lien for Assessments	14
7.12	Certificate of Status of Assessments	14
7.13	Contributions to the Working Capital	14
7.14	Mortgagees May Pay Assessments and Cure Defaults	15
7.15	Liens	15
ARTICLE VIII - Insurance		
8.1	Duty to Obtain and Maintain Insurance	15, 16
8.2	Insurance Obtained by Owners	16
8.3	Annual Review of Insurance Policies	17
8.4	Prohibition of Increase in Insurable Risks and Certain Activities	17
ARTICLE IX - Conveyances and Taxation of Condominium Units		
9.1	Contracts Entered Into Prior to Recording of Condominium Map and Declaration	17
9.2	Contracts Entered Into Subsequent to Recording of Condominium Map and Declaration	17
9.3	Legal Effect of Description	18
9.4	Taxation	18
ARTICLE X - Mechanic's and Other Liens		
10.1	Mechanic's and Other Liens	18
10.2	Enforcement by the Association	18
10.3	Effect of Part Payment	19
ARTICLE XI - Restrictions on Use, Alienation and Occupancy		
11.1	Residential Use	19
11.2	Use of Common Elements	19
11.3	Exterior Changes	19
11.4	Leases	19
11.5	Restrictions of Alienation	20
11.6	Nuisances	20

11.7	Garbage Collection	20
ARTICLE XII - Easements		
12.1	Recorded Easements	20
12.2	Encroachments	20
12.3	Utility Easements	21
12.4	Emergency Easement	21
12.5	Maintenance Easement	21
12.6	Drainage Easement	21
12.7	Easements of Access for Repair, Maintenance and Emergencies	21, 22
12.8	Easements Deemed Created	22
ARTICLE XIII - Damage, Destruction, Obsolescence or Condemnation		
13.1	Association as Attorney-in-Fact	22
13.2	Damage or Destruction	22
13.3	Obsolescence	24
13.4	Condemnation	25
ARTICLE XIV - Burdens and Benefits of Declaration		
14.1	Covenants Running with Property	26
14.2	Binding Upon and Inure to the Successors	26
ARTICLE XV - Amendment of Declaration		
15.1	Amendment	26
15.2	Amendment by Declarant	26
15.3	Technical Corrections by Declarant	27
15.4	Technical Corrections by Board of Directors	27
15.5	Recording of Amendments	27
ARTICLE XVI - First Mortgagees		
16.1	Member and First Mortgagee Approval	28
16.2	Notice of Action	30
16.3	Financial Statements	30
16.4	Association Books and Records	30
16.5	Consent to Amendments	30
ARTICLE XVII - Miscellaneous		
17.1	Period of Condominium Ownership	31
17.2	Supplement to Condominium Ownership Act	31
17.3	Conveyance of Condominium Units	31
17.4	Enforcement	31
17.5	Registration of Mailing Address	31
17.6	Non-Waiver	31
17.7	Severability	31
17.8	Number and Gender	31
17.9	Captions	31
17.10	Conflicts in Documents	31
17.11	Counterparts	31
17.12	Special Declarant Rights	31

3

**CONDOMINIUM DECLARATION
FOR
WADSWORTH 4045 CONDOMINIUMS**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT THIS DECLARATION, is made on the date hereinafter set forth by 4045 WADSWORTH, LLC, a Colorado limited liability company, with an office at c/o Chad J. Pinson, P.O. Box 371562, Denver, CO 80237, hereinafter referred to as "Declarant."

RECITALS:

a) **Declarant is the owner of certain real estate located at 4045 Wadsworth in the City Wheat Ridge, County of Jefferson, State of Colorado, which is more particularly described as set forth in Exhibit A attached hereto and by reference made a part hereof, and adjacent real property upon which additional condominium units are anticipated to be constructed in the future;**

b) **Declarant desires to create a Common Interest Community on the real estate described in Exhibit A, the name of which is "WADSWORTH 4045 CONDOMINIUMS" in which portions of the real estate described in Exhibit A will be designated for separate ownership and the remainder of which will be designated for common ownership solely by the owners of the separate ownership portions; and,**

c) **Declarant has caused to be incorporated under the laws of the State of Colorado, WADSWORTH 4045 CONDOMINIUM ASSOCIATION, INC., a nonprofit corporation for the purpose of exercising the functions as herein set forth.**

ARTICLE I

DEFINITIONS

1.1 **Association.** "Association" shall mean and refer to WADSWORTH 4045 CONDOMINIUM ASSOCIATION, INC., a Colorado non-profit corporation, its successors and assigns. The Association shall act by and through its Board of Directors and Officers.

1.2 **Common Elements.** "Common Elements" shall mean and refer to the totality of:

(a) **The Property excluding any individual Condominium Unit; and**

(b) **Any sidewalks, parking areas, walkways, paths, grass, shrubbery, trees, driveways, street, fire lanes, and landscaping located on the Property; and**

(c) **In general, all other parts of the Project existing for the common uses of the Owners, and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use.**

1.3 **Condominium Building.** "Condominium Building" shall mean and refer initially to the each building on the Property as shown on the Map.

1.4 Condominium Map. "Condominium Map" ("Map") shall mean and refer to the Condominium Map for WADSWORTH 4045 CONDOMINIUMS, recorded in the office of the Clerk and Recorder of the County of JEFFERSON at Book _____, Page _____, Reception No. _____.

1.5 Condominium Unit. "Condominium Unit" shall mean and refer to the fee simple interest in and to an Individual Air Space Unit consisting of 30 separate air space Units within the Buildings on the Property, together with all fixtures and improvements therein contained, and together with the undivided interest in the Common Elements appurtenant to the Individual Air Space Unit as shown on Exhibit B attached hereto and incorporated herein by this reference and on the Condominium Map. The formula for determining the percentage interest is based upon the square footage of each unit within the buildings, and the ratios set forth on Exhibit B shall remain the same for future assessments. 5

1.6 Declarant. "Declarant" shall mean and refer to, 4045 WADSWORTH, LLC, a Colorado limited liability company, its successors and assigns provided that such successors and assigns shall first be designated by 4045 WADSWORTH, LLC as Declarant for one or more purposes by a written instrument duly recorded in the office of the Clerk and Recorder of the County of Jefferson.

1.7 Declaration. "Declaration" shall mean and refer to this Condominium Declaration as it may be amended from time to time.

1.8 First Mortgage. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security interest recorded in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments) and those assessments which may be imposed by this Declaration, a lien of which is made superior by the Common Interest Ownership Act of the State of Colorado.

1.9 First Mortgagee. "First Mortgagee" shall mean and refer to any person named as a mortgagee or beneficiary under any First Mortgage (including, for purposes of Section 7.10, 7.11, 7.12 and, with respect to notice of cancellation or substantial modification of certain insurance policies, Section 8.1(f) hereof.

1.10 General Common Elements. "General Common Elements" shall mean and refer to all of the Common Elements except the Limited Common Elements.

1.11 Individual Air Space Unit. "Individual Air Space Unit" shall mean and refer to the air space contained within the enclosed rooms occupying part of a floor or floors in the Condominium Building and bounded by the interior surfaces of the perimeter walls (or the adjoining walls, if two or more Individual Air Space Units adjoin each other), unfinished interior surfaces of floors, unfinished interior surfaces of ceilings, windows and window frames, doors and door frames of a Condominium Building, and which is separately identified on the Condominium Map. Such Individual Air Space Unit is to be used for office and/or commercial purposes and shall have access to a public street, or the street owned by the Association.

1.12 Limited Common Elements. "Limited Common Elements" shall mean and refer to that portion of the Common Elements, designated in this Declaration, or on the Condominium Map, or by the Act, which are either limited to and reserved for the exclusive use of the Owner

or Owners of a particular Condominium Unit, or are limited to and reserved for the common use of the Owners of more than one, but fewer than all, of the Condominium Units. Without limiting the foregoing and in addition to the portions described in Sections 38-33.3-202(1)(b) and (d) of the Act, the Limited Common Elements shall include any deck, attic, basement, or crawl space which is accessible from an Individual Air Space Unit or which may be assigned by the Declarant or the Association for the exclusive use of the Owner of a particular Condominium Unit, and any utility, heating and hot water equipment contained within or providing exclusive service to any such Individual Air Space Unit intended for its exclusive use. Any such deck, attic, or crawl space or utility, heating or hot water equipment contained within or providing exclusive service to an Individual Air Space Unit, as aforesaid, shall, without further reference thereto, as identified on the Condominium Map, be used in connection with such Individual Air Space Unit to the exclusion of the use thereof by the other Owners except by invitation.

1.13 **Owner.** "Owner" shall mean and refer to any record owner (including Declarant and including a contract seller), whether one or more persons or entities, of a fee simple title interest to any Condominium Unit; but excluding, however, any such record owner having such an interest merely as security for the performance of an obligation (unless such person has acquired fee simple title interest therein pursuant to foreclosure or any proceedings in lieu thereof).

1.14 **Project.** "Project" shall mean and refer to the totality of all the Property, the Condominium Buildings, Condominium Units and Common Elements, in Phase I and Phase II.

1.15 **Property.** "Property" shall mean and refer to that certain property described as a portion of the Southwest $\frac{1}{4}$ of Section 23, Township 3 South, Range 69 West of the Sixth Principal Meridian, County of Jefferson, State of Colorado, as more specifically described on Exhibit A attached hereto.

ARTICLE II

DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP

2.1 **Division Into Condominium Units.** The Project is hereby divided into Thirty (30) separate Condominium Units as identified on the Condominium Map and on Exhibit B as Units 10, 20, 30, 40, 50, 60, 70 and 80 in the Garden Level; 100, 103, 104, 110, 111 and 112 on the First Floor; Units 200, 205, 210, 220, 250, 260, 270 and 290 on the Second Floor; and Units 300, 303, 306, 307, 308, 309 310 and 311 on the Third Floor.

2.2 **Right to Combine Condominium Units.** Declarant and all Owners hereby reserve the right to combine physically the area or space of one Condominium Unit which area or space of one or more adjoining (horizontally or vertically) Condominium Units; provided, however, that Declarant shall not exercise said right without obtaining any necessary governmental approvals and the written consent of any First Mortgagee having an interest in said Condominium Units. In the event of any such physical combining of Condominium Units to create a combined Condominium Unit, such combined Condominium Unit shall also include the combining of fixtures and improvements and of the undivided interests in Common Elements appurtenant to the Condominium Units so combined, and may also include certain portions of the corridors appurtenant to the exterior walls of the Condominium Units so combined. Declarant reserves the right to designate and convey to any purchaser of any such combined Condominium Unit, as additional Limited Common Elements appurtenant thereto, any walls,

floors, or other structural separations between the Condominium Units so combined, or any space which would be occupied by such structural separations but for the combination of such Condominium Units; provided, however, that such walls, floors, or other structural separations or such space shall automatically become General Common Elements if the combined Condominium Units become subject to separate ownership in the future.

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

2.4 **Non-Partitionability.** The Common Elements shall be owned in common by all of the owners and shall remain undivided. By the acceptance of its deed or other instrument of conveyance or assignment, each Owner specifically waives its right to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements. Furthermore, each Owner agrees that this Section 2.4 may be pleaded as a bar to the maintenance of such an action. Any violation of this Section shall entitle the Association to collect, jointly or severally, from the parties violating the same, the actual attorney's fees, costs, expenses and all damages which the Association incurs in connection therewith.

ARTICLE III

CONDOMINIUM MAP

3.1 **The Condominium Map.** The Condominium Map and amendments thereto, if any, covering the Property shall be recorded in the Office of the Clerk and Recorder of the County of Jefferson, Colorado, prior to conveyance of the first Condominium Unit shown on such Condominium Map.

3.2 **Content.** The Condominium Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the Condominium Building in reference to the exterior boundaries of the land; the floor and elevation plans; the location of the Condominium Units, both horizontally (if applicable) and vertically; a designation of which Common Elements contained in the Condominium Building are Limited Common Elements; and the Condominium Unit designations. The Condominium Map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the Condominium Map substantially depicts the location and the horizontal and vertical measurements of the aforesaid information, and an affirmation that the Condominium Map was prepared subsequent to substantial completion of the improvements shown thereon. In interpreting the Condominium Map, the existing physical boundaries of each separate Condominium Unit, as constructed, shall be conclusively presumed to be its boundaries.

3.3 **Amendments.** Declarant hereby reserves unto itself the right, from time to time, without obtaining the consent or approval of any Owner or First Mortgagee, to amend the Condominium Map in order to conform such Condominium Map to the actual location of any improvement(s) constructed, installed or erected on the Property and to establish and/or designate any General Common Elements as Limited Common Elements.

ARTICLE IV

OWNER'S PROPERTY RIGHTS IN COMMON ELEMENTS

4.1 Rights of Owners; Easements of Enjoyment and Rights of Ingress and Egress. Every Owner, its employees, tenants, guests and licensees shall have a right and easement of enjoyment in and to the General Common Elements and those Limited Common Elements appurtenant to its Condominium Unit, plus a right and easement of ingress and egress over, across and upon the General Common Elements and those Limited Common Elements appurtenant to its Condominium Unit for the purpose of access to and from its Condominium Unit, parking areas, public ways, for both pedestrian and vehicular travel, which rights and easements shall be appurtenant to and pass automatically with the transfer of title to the Owner's Condominium Unit; provided, however, that such rights and easements shall be subject to the following:

(a) The terms, provisions, covenants, conditions, restrictions, easements, reservations, uses, limitations and obligations contained in this Declaration and the Condominium Map; and

(b) The right of the Association to suspend the voting rights of any Owner for any period during which any Association Assessment against such Owner or against such Owner's Condominium Unit remains unpaid, and, for any period not to exceed sixty (60) days, as a result of such Owner's infraction, or the infraction by any employee or tenant of such Owner or such Owner's tenants, guests or invitees, of any rule or regulation of the Association; and

(c) The right of the Association to adopt, from time to time, rules and regulations concerning the Common Elements and any facilities located thereon, as the Association may determine is necessary or prudent; and

(d) The right of the Association to grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Project; and

(e) After conveyance by Declarant of the last Condominium Unit to the first Owner thereof (other than Declarant) or ten (10) years from the date of this Declaration is recorded, whichever occurs first, the right, but not the obligation, of the Association, from time to time, to hire an on-site manager; and

(f) The right of the Association to limit the number of guests or invitees of each Owner which may use any facilities contained in the Common Elements.

4.2 Limited Common Elements. Subject to the terms and provisions of this Declaration, every Owner shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to its Condominium Unit.

ARTICLE V

**MEMBERSHIP AND VOTING RIGHTS
IN THE ASSOCIATION**

5.1 Membership. Every Owner of a Condominium Unit which is subject to assessment hereunder shall be a member of the Association and shall remain a member for the period of its ownership of a Condominium Unit; provided, however, that in no event shall the total number of Association votes which are cast with respect to such Condominium Unit exceed one (1). Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Condominium Unit. 9

5.2 Classes of Voting Membership. The Association shall have one class of voting membership. All Owners including the Declarant, shall be members of the Association, and shall be entitled to one vote for each Condominium Unit owned. When more than one Owner holds an interest in the same Condominium Unit, all such Owners shall be members and the vote for such Condominium Unit shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to such Condominium Unit. If the Owners of such Condominium Unit do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained. Fractional votes shall not be cast.

5.3 Reservation. Notwithstanding any provision to the contrary contained in this Declaration, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, Declarant hereby reserves unto itself the right to appoint the Board of Directors of the Association until sixty (60) days following the date upon which Declarant has conveyed seventy-five percent (75%) of the Condominium Units to other Owners or ten (10) years from the date this Declaration is recorded in the office of the Clerk and Recorder of the County of Jefferson, Colorado, whichever first occurs. Prior to such time, this Section 5.3 shall not be amended without Declarant's further written consent. The Declarant also reserves the right to have and maintain a sales office in one of the Buildings until all of the Condominium Units have been sold.

ARTICLE VI

THE ASSOCIATION

6.1 Management and Maintenance Duties and Duty to Establish Reserve Account. Subject to the rights of Owners as set forth in this Declaration, the Association shall:

(a) have all of the responsibility, powers, authority and duties permitted pursuant to the Act necessary and proper for the management, control, maintenance, repair, replacement and improvement of the Common Elements (including furnishings and equipment, if any, related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair, including without limitation, any utility, heating and plumbing appurtenances which are part of the central system of one of the Condominium Buildings; provided, however, that each Owner shall be responsible for exclusive maintenance and repair of all plumbing fixtures which are part of its Building, and not an integral part of the central system of the remainder of the Condominium together with all electrical outlets and switches, domestic hot water equipment, furnaces and appurtenances which service such Owner's Individual Air Space Unit. Each Owner shall also be responsible for keeping the Limited Common Elements, or portions thereof, designated for use solely in connection with its Condominium Unit, including without limitation any limited common element, if any, which is accessible from such Owner's Individual Air Space Unit in a good, clean, sanitary and attractive condition;

(b) maintain all walkways, driveways, parking areas, grass, trees, shrubbery, flowers and similar landscaping constituting part of the Common Elements.

The expenses, costs and fees of such management, operation, maintenance, repair, replacement and improvement by the Association, as provided in this section 6.1, shall be part of the annual and any special common expense assessment levied by the Association, and the prior approval of the Owners shall not be required in order for the Association to pay any such expenses, costs and fees, regardless of the amounts thereof. 10

6.2 Owner's Negligence: Prohibition of Certain Activities.

(a) Each Owner by acceptance of his deed or other instrument of conveyance or assignment, any employee, tenant, guest, invitee or licensee of Owner, by entry upon this Common Interest Community, agrees to comply strictly with the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Further, nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other imposed requirement of any governmental body having jurisdiction over the same. No damage to, or waste of, the Common Elements, or any part thereof, shall be committed by any Owner, or by any tenant, employee, guest, invitee or licensee of any Owner. The Association, or in a proper case, an aggrieved Owner, shall have the power to enforce the provisions of this Declaration and the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association pursuant thereto. The Association shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner and his tenants, employees, guests, invitees and licensees. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association pursuant thereto, by any one or more of the following means:

- (i) by commencing and maintaining actions to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association, by permanent injunction or otherwise;
- (ii) by commencing and maintaining actions to recover damages for breach of any of the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association;
- (iii) by exclusion, after Notice and Hearing as provided in the Bylaws, of any Owner or his guest from use of any General Common Elements during and for up to sixty (60) days following any breach of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolution of the Association, by such Owner or his guest, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach constitutes;
- (iv) by levying and collecting from any Owner or its tenants, employees, guests, invitees or licensees after Notice and Hearing as provided in the Bylaws, reasonable and uniformly applied nondiscriminatory fines and penalties established in advance in the Bylaws and in the Rules and Regulations of the Association for breach of this

Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association and its Board by such Owner of his guest. Owners shall have the power to enforce the provisions of this Declaration, the Articles, Bylaws, and Rules and Regulations against the Association.

(b) Each Owner shall indemnify and hold the Association and the other Owners harmless from and against all loss and damage resulting from any action or activity committed by it, its tenants, employees, guests, invitees or licensees, which is in violation of this Section.

(c) All attorneys' fees and other costs of enforcing this Declaration, the Articles, Bylaws, Rules and Regulations, decisions and resolutions of the Association, and the foregoing indemnification incurred by the Association, or in a proper case by an aggrieved Owner, shall be assessed against the Owner found to be in violation and such assessment shall become a lien against such Owner's Condominium Unit and shall be enforced and collected in the same manner as all other assessments as provided herein.

(d) The conveyance or encumbrance of a Condominium Unit shall be deemed to be made subject to all of the provisions of this Declaration, the Articles, Bylaws, and Rules and Regulations, and shall be binding upon each grantee or mortgagee without the necessity or inclusion of such express provision in the instrument of conveyance or encumbrance.

(e) A Condominium Unit may not be conveyed pursuant to a time-sharing arrangement described in Sections 38-33-110 to 113, Colorado Revised Statutes.

(f) A Condominium Unit may not be leased or rented for a term of less than ninety (90) days. All leases and rental agreements shall be in writing and subject to the reasonable requirements of the Association.

(g) The Association may rent to, lease to or authorize use by one or more Unit Owners, as it deems appropriate, part or all of any parking area which has not been conveyed to an Owner, as identified on the Condominium Map as General Common Elements.

6.3 Management Agreements and Other Contracts.

(a) Any agreement for professional management of the Association's business or any contract providing for the services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon thirty (30) days prior written notice.

(b) Any contracts or leases entered into by the Association (except contracts or agreements governed by Sub-section (a) of this Section 6.3 and any other contracts, licenses and agreements governed by Section 6.7 hereof) shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon ninety (90) days prior written notice.

6.4 Acquiring and Disposing of Personal Property. The Association may acquire, own and hold for the use and benefit of all Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be deemed to be owned by the Owners in the same undivided proportion as their respective

undivided interests in the Common Elements. Such beneficial interest of an Owner shall not be transferable except with the transfer of that Owner's Condominium Unit. Transfer of a Condominium Unit, including transfer pursuant to foreclosure, shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property without any reference thereto. Each Owner may use such personal property in accordance with the purposes for which it is intended, provided that such use shall not hinder or encroach upon the lawful rights of other Owners. 12

6.5 Promulgation of Rules and Regulations. The Board of Directors of the Association may promulgate and enforce reasonable rules and regulations governing the use of the Condominium Units and the Common Elements, including, without limitation, enforcement of the same by levying and collecting fines for the violation thereof, which rules and regulations shall be consistent with the rights and duties established in this Declaration. A list of the initial rules and regulations governing use of the Condominium Units and the Common Elements shall be prepared by the Board of Directors of the Association and made available to each Owner. These Rules and Regulations may be revised from time to time by the Board of Directors and shall be effective upon mailing to all Unit Owners.

6.6 New Additions to Common Elements. Subject to the other provisions of this Declaration, the Association shall have the right to construct, purchase or otherwise acquire new property or improvements to the Property which will constitute new additions to the Common Elements. Ownership of, and the common expenses of any such additions to the Common Elements, shall be apportioned among all Condominium Units in proportion to the respective undivided interest in the Common Elements appurtenant thereto, as shown on Exhibit B attached hereto. The construction, purchase or other acquisition of new additions to the Common Elements shall not affect an Owner by way of modification of its voting power in the Association. The Declarant anticipates the construction of three additional buildings on adjacent real property to be added to the Condominium, in which event the percentage interest of Unit A will be revised.

6.7 Contracts, Licenses and Agreements. The Association, through its Board of Directors, shall have the right to enter into, make, perform or enforce contracts, leases, licenses, agreements, easements and/or rights-of-way, for the use by Owners, other persons, their employees, tenants, guests, licensees and invitees, of real property for pedestrian or vehicle access, ingress and egress to and from the Project, or any portion thereof, for vehicular parking, for on-site management or for recreational use, including but not limited to, contracts, licenses, leases or other agreements for the provision of cable or satellite television service to the Property, or any portion thereof, so long as such contracts, licenses, or agreements do not exceed three (3) years in duration from the commencement of such satellite or cable television service. Any of such contracts, leases, licenses, agreements, rights-of-way or easements shall be upon such terms and conditions as agreed to by the Board of Directors of the Association, which may include provisions by which the Association covenants and agrees that it shall pay part or all of the costs and expenses of: maintaining such real property, and the improvements thereto and thereon, providing such cable or satellite television service, or other amounts which the Board determines are necessary to secure such contracts, licenses and agreements, and any such costs and expenses, licenses and agreements, and any such costs and expenses shall be treated by the Association as common expenses pursuant to Article VII hereof.

ARTICLE VII

ASSESSMENTS

7.1 Personal Obligation for Assessments. All Owners, including Declarant, and including any purchaser or its assigns under an executory land sales contract wherein the Administrator of Veterans Affairs is identified as the seller, covenant and agree and shall be personally obligated to pay to the Association: 13

- (a) annual common expense assessments imposed by the Association to meet the common expense and reserve requirements of the Association;
- (b) special assessments, pursuant to Section 7.6 of this Declaration; and
- (c) other charges, fees and assessments, including without limitation default assessments, as provided in this Declaration.

All assessments for each Condominium Unit shall be calculated by multiplying the total annual amount of the assessment due, pursuant to Section 7.2 and Section 7.6, as either is applicable, based upon the ratio of the assessment as set forth on Exhibit B attached hereto. The ratio is based on the square footage of each unit. All Owners of each Condominium Unit shall be jointly and severally liable to the Association for the payment of all assessments, fees and charges attributable to their Condominium Unit. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title or interest unless expressly assumed by them. No Owner may waive or otherwise escape personal liability for the payment of the assessments, charges and fees provided for herein by non-use of the Common Elements or any facilities contained therein or by abandonment or leasing of its Condominium Unit. In addition to the foregoing assessments, charges and fees, each Owner shall have the obligation to pay real property *ad valorem* taxes and special assessments imposed by Colorado governmental subdivisions against its Condominium Unit, as well as all charges for separately metered utilities servicing its Condominium Unit. The charges for utilities which are not separately metered shall be included in the annual common expense assessments levied by the Association.

7.2 Amount of Common Expense Assessments.

(a) The annual common expense assessment for each Condominium Unit shall be determined by the Association, and shall be allocated among the Condominium Units based upon the percentages set forth on Exhibit B attached hereto. The amount of the monthly installment for each Unit shall be divided by the number of months in the first annual common expense assessment year.

(b) Commencing with the second assessment year and thereafter, the maximum annual common expense assessment shall be based upon the Association's advance budget of all cash requirements which may be required by the Association to provide for the Association's advance budget of all cash requirements which may be needed by the Association to provide for the payment of all estimated expenses related to or connected with the administration, maintenance, ownership, repair, operation, addition, alteration and improvement of the Property, the Common Elements, and personal property owned by the Association, except as otherwise provided in this Declaration. The maximum annual common expense assessment against each Condominium Unit shall be calculated by multiplying the total

amount of the aforesaid Association budget times the undivided interest in the Common Elements appurtenant to such Condominium Unit. The amount of said advance budget may include, but shall not be limited to: expenses of management, premiums for insurance; maintenance and repair of the exterior of the Condominium Building; landscaping and care of common grounds; common lighting, heating and electrical; maintenance, repairs and renovations of Common Elements; trash collection; wages; common water and sewer charges; taxes; legal and accounting fees; management fees; costs, expenses and liabilities incurred by the Association's Board of Directors on behalf of the Owners under or by reason of this Declaration, the Articles of Incorporation or Bylaws of the Association; the creation of reasonable reserves, working capital and/or sinking funds; and any and all other costs and expenses relating to the Common Elements and/or the Project. 14

(c) The Association may at any time and from time to time, during any annual common expense assessment period, levy an actual common expense assessment in an amount less than the maximum for that assessment period; provided, however, that written notice of the Budget and any change in the amount of the actual common expense assessment (whether to an amount less than or equal to the maximum) shall be sent to every Owner subject thereto at least thirty (30) days in advance of the effective date of such change. Such notice shall set a date and time for a meeting of the Owners not less than 14 days nor more than 60 days after mailing or delivery of the notice. Unless at such meeting a majority of the Unit Owners reject the Budget and the proposed assessment (whether or not a quorum is present at the meeting), the Budget and the assessments as proposed in the notice are ratified. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners must be continued until such time as the Unit Owners ratify a subsequent budget.

7.3 **Reserves.** The Association shall establish an adequate reserve fund for the maintenance, repair and replacement of those Common Elements that must be periodically maintained, repaired or replaced. Such reserve fund shall be funded through the monthly payments of the annual common expense assessments.

7.4 **Date of Commencement of Annual Common Assessments.** The initial annual common expense assessment shall commence on the date of conveyance by Declarant of the first Condominium Unit, and the second and each subsequent annual common expense assessment period shall correspond with the fiscal year of the Association. The annual common expense assessments shall be made due and payable in twelve (12) consecutive monthly installments per annum on such dates as determined by the Board, provided that the first annual common expense assessment shall be adjusted according to the number of months in the first annual common expense assessment year. Any Owner purchasing a Condominium Unit between installment due dates shall pay a pro rata share of the last installment due.

7.5 **Rate of Assessment.** Both annual common expense and special assessments shall be set against all Condominium Units sufficient to meet the Association's advance budget, in accordance with the principles set forth in Section 7.1 hereof.

7.6 **Special Assessments.** 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 in Section 7.1 hereof 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. Until such time as Declarant relinquishes control, special assessments for capital improvements will also require the prior written consent of the Declarant and any Agencies which have insured or purchased a First Mortgage if such approval is requested by the Agencies. "Capital Improvements" as used in the preceding sentence shall mean the construction, erection or installation of substantial structure(s) or other substantial improvements on the Property, but shall not include the construction, reconstruction, erection, installation, maintenance, repair or replacement of Common Elements presently located on the Property or which may hereafter be constructed, erected or installed on the Property by Declarant in its development of the Project. 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. 15

7.7 Notice of Quorum for Action Authorized Under Section 7.6. Written notice of any meeting called for the purpose of voting on a special assessment pursuant to Section 7.6 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of the membership votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

7.8 Lien for Assessments. The assessments, charges and fees, including without limitation, any default assessment, as well as any monthly or other installments thereof, provided for in this Declaration (together with any and all interest, costs, late charges, expenses and reasonable attorney's fees which may arise under the provisions of this Declaration), shall be burdens running with, and a perpetual lien in favor of the Association upon the specific Condominium Unit to which such assessments apply. To evidence such lien upon a Condominium Unit, the Association may prepare a written lien notice setting forth a description of the Condominium Unit, the amount of assessments thereon which are unpaid as of the date of such lien notice, the name of the Owner or Owners thereof and any and all other information that the Association may deem proper. The lien notice shall be signed by a member of the Board of Directors of the Association, an officer of the Association, or any agent authorized by the Board of Directors, and shall be recorded in the office of the Clerk and Recorder for the County of Jefferson, Colorado. The recording of any written lien notice shall not constitute a condition precedent nor delay the attachment of the lien, but such lien is a perpetual lien upon each Condominium Unit and attaches without notice at the beginning of the first day of any period for which any assessment is levied or assessed.

7.9 Effect of Non-Payment of Assessments. Any assessment, charge or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within ten (10) days after the due date thereof shall bear interest at the rate of eighteen percent (18%) per annum from the due date, or at such lesser rate as may be set by the Board of Directors. The Board of Directors of the Association may assess a monthly late charge thereon. Further, the Association may bring an action at law or in equity, or both, against any Owner

personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. In the event that any such assessment, charge or fee, or monthly or other installment thereof, is not fully paid when due and the Association shall commence such an action (or shall counterclaim or crossclaim for such relief in any action) against any Owner personally obligated to pay the same, or shall proceed to foreclose its lien against the particular Condominium Unit, then all unpaid assessments, charges and fees, and all unpaid monthly or other installments thereof, any and all late charges and accrued interest under this Section 7.9, the Association's costs, expenses and reasonable attorney fees incurred for any such action and/or foreclosure proceedings, shall be taxed by the court as a part of the costs of any such action or foreclosure proceeding and shall be recoverable by the Association from any Owner personally obligated to pay the same and from the proceeds of the foreclosure sale of such Owner's Condominium Unit. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Condominium Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same. 16

7.10 Successor's Liability for Assessments. Notwithstanding any terms and provisions of this Declaration to the contrary, the sale or transfer of any Condominium Unit shall not affect a lien for assessments, charges or fees levied hereunder except that in the case of a sale or transfer of a Condominium Unit pursuant to foreclosure of a First Mortgage or any proceeding in lieu thereof, including deed in lieu of foreclosure, the priority of the lien of the Association for assessments over the lien of the First Mortgage shall be determined in accordance with the provisions of the Colorado Common Interest Ownership Act, as amended from time to time, including amendments enacted after the date hereof.

7.11 Subordination of Association's Lien for Assessments. The Association's perpetual lien on a Condominium Unit for assessments, charges and fees, provided for herein, shall be superior to any homestead exemption as is now or may hereafter be provided by state or federal law. The acceptance of a deed to a Condominium Unit subject to this Declaration shall constitute a waiver of the homestead exemption against all such assessments, charges or fees. Said assessment lien shall also be superior to all other liens and encumbrances except:

(a) real property ad valorem tax and special assessment liens duly imposed by a Colorado governmental subdivision; and

(b) the lien of any First Mortgage encumbering any Condominium Unit, and recorded in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, prior to the date such assessment became due, including any and all advances made by a First Mortgagee and notwithstanding that any of such advances may have been made subsequent to the date of the attachment of the Association's lien. The Colorado Common Interest Ownership Act provides that the Association's lien of up to six month's of condominium assessments shall be superior to the lien of a First Mortgage.

7.12 Certificate of Status of Assessments. Upon receipt of a written request from an

Owner, prospective purchaser, First Mortgagee, prospective First Mortgagee, junior mortgagee, or prospective junior mortgagee of the subject Condominium Unit, and upon payment of a reasonable fee, but in no event less than Twenty-five Dollars (\$25.00), the Association, through its Board of Directors or by its managing agent, shall issue a written statement setting forth the amount of any unpaid Association assessments, charges, fees, or portions thereof, if any, with respect to the subject Condominium Unit, the amount of the current monthly common expense assessment and the date that such assessment becomes due, the due date of any special assessment then existing against the Condominium Unit, the amount of the current monthly expense assessment and the date that such assessment becomes due, the due date of any special assessment then existing against the Condominium Unit, the amount of any credit for any advance payments of assessments, for prepaid items (such as insurance premiums), and for funds remaining in the working capital fund to which the Owner would be entitled from its transferee upon the sale of the subject Condominium Unit, and any other information deemed appropriate by the Association. Said written statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. 17

7.13 Contributions to the Working Capital. The Association or Declarant shall require the first and each subsequent Owner of each Condominium Unit to make at the closing thereof a non-refundable payment to capital in an amount equal to two (2) times the monthly installment of the maximum annual common expense assessment effective at the time of conveyance of the Condominium Unit, which sum shall be held, without interest being paid to the Unit owners, by the Association in a segregated account for the use and benefit of the Association, including without limitation, to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Association's Board of Directors. Such contribution to capital shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of his Condominium Unit, an Owner shall be entitled to a credit from his transferee for the aforesaid payment to working capital, such credit to be in an amount equal to the product of the first private Owner's payment into the working capital fund multiplied by a fraction, the numerator of which is equal to the amount in the working capital fund as of the Association's last financial statement (or, if readily available, such amount as of a more current date) and the denominator of which is equal to the total amount which would have been in the working capital fund if there had been no expenditures as of such date. While Declarant is in control, Declarant shall not use any of the Working Funds to defray expenses, reserve contributions, or construction costs or to make up any budget deficits.

7.14 Mortgagees May Pay Assessments and Cure Defaults. In the event any assessment, or monthly or other installment thereof, on any Condominium Unit shall not be paid by the Owner thereof within thirty (30) days after the same is due, or if a default by any Owner of any provision of this Condominium Declaration, the Articles of Incorporation or Bylaws of the Association shall not be cured within thirty (30) days after written notice thereof is given to such Owner, then the Owner or holder of any mortgage or deed of trust encumbering such Condominium Unit may (but shall not be required to) pay such assessment or monthly or other installment thereof, together with any other amounts secured by the Association's lien created by this Article VII, and may (but shall not be required to) cure any such default.

7.15 Liens. In accordance with the requirements of the Colorado Common Interest Ownership Act, as amended, Declarant hereby states that it is possible that additional liens other than mechanic's liens, assessment liens or tax liens may be obtained against the Common Elements.

ARTICLE VIII

INSURANCE

8.1 Duty to Obtain and Maintain Insurance. The Association shall obtain and maintain at all times, to the extent that the Association determines that obtaining such coverage is prudent based on the relative cost and risk coverage provided by such insurance, the following types of insurance:

(a) A multi-peril policy with extended coverage and standard all-risk endorsements, including coverage for fire, vandalism and malicious mischief, as well as such other risks as shall customarily be covered with respect to condominium projects similar in construction, location and use, insuring the Project and all Common Elements, but excluding coverage on furniture, furnishings or other personal property supplied or installed by an Owner; said policy shall provide coverage in an amount equal to one hundred percent (100%) of full replacement cost without deduction for depreciation. All policies shall contain a standard noncontributory mortgagee clause in favor of each First Mortgagee of a Condominium Unit, which shall provide that any loss thereunder shall be payable to the Association for the use and benefit of First Mortgagees as their interests may appear.

(b) If the Project is located in an area identified by the Federal Emergency Management Agency as having special flood hazards, and flood insurance coverage has been made available under the National Flood Insurance Program (NFIP), a "master" or "blanket" policy of flood insurance on the Condominium Building and any other property covered by the required form of policy (herein "insurable property") in an amount deemed appropriate, but not less than the lesser of:

- (i) the maximum coverage available under the NFIP for the Condominium Building and other insurable property within any portion of the Project located within a designated flood hazard area; or
- (ii) one hundred percent (100%) of current "replacement cost" of the Condominium Building and other insurable property within any portion of the Project located within a designated flood hazard area.

Any policy of insurance carried by the Association pursuant to this Section 8.1(b) shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

(c) Public liability and property damage insurance providing coverage in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence, covering claims for bodily injury, personal injury and 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, as well as such other risks as shall customarily be covered with respect to condominium projects similar in construction, location and use.

(d) Workmen's Compensation, employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms as may now or hereafter be required by law.

(e) A policy providing adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association and all others who handle or are responsible for handling funds of the Association, which fidelity coverage or fidelity bonds shall be in such amounts as set forth in the Bylaws. Such fidelity coverage or bonds shall name the Association as an obligee and shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression. 19

(f) The Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate with respect to the Project, to the extent that such coverage is reasonably available, including but not limited to personal liability insurance to protect directors and officers on behalf of the Association and, if appropriate, coverage for loss or damage resulting from steam boiler equipment or air conditioning equipment accidents in an amount not less than One Hundred Thousand Dollars (\$100,000.00) per accident per location or such greater amount as may be deemed prudent by the Association based on the nature of the Property. All policies of insurance carried by the Association shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a member of the Association, and shall provide that the policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the insured. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any First Mortgagee of a Condominium Unit upon written request. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the Owners, which policy or policies shall identify the interest of each Owner (by name and Condominium Unit number designation) and First Mortgagee. Further, the Association may require the insurance company or companies providing the insurance coverages described herein to provide each Owner and First Mortgagee with a Certificate of Insurance in regard to such Owner's Condominium Unit.

8.2 Insurance Obtained by Owners. Insurance coverage on furnishings, including carpet, draperies, office equipment, office furniture, warehouse equipment and fixtures, and other items of personal property belonging to an Owner, and public liability coverage within each Condominium Unit, shall be the sole and direct responsibility of the Owner(s) thereof, and the Association, its Board of Directors; and/or the managing agent of the Association shall have no responsibility therefor. Owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that no liability of the carriers issuing insurance obtained by the Association shall be affected or diminished by reason of any such additional insurance carried by any Owner.

8.3 Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board of Directors of the Association to ascertain that the coverage provided by such policies adequately covers those risks insured by the Association.

8.4 Prohibition of Increase in Insurable Risks and Certain Activities. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would result in the cancellation of any insurance on the Project, or any part thereof, or increase in the rate of any insurance on the Project, or any part thereof, over what the prior written approval of the Association, but for such activity, would pay, without the prior written approval of the Association. Each Owner shall indemnify and hold the Association and the other Owners harmless from and against all loss and damage resulting from any action or

activity committed by it, its tenants, employees, guests, invitees or licensees, which is in violation of this Section 8.4. At its own initiative or upon the written request of any Owner (and, if the Association determines that further action by it is proper), then after notice and a hearing by the Association, it shall enforce the foregoing indemnity in the same manner as provided in Section 10.2 hereof with respect to an Owner's indemnity against mechanic's liens.

70

ARTICLE IX

CONVEYANCES AND TAXATION OF CONDOMINIUM UNITS

9.1 Contracts Entered Into Prior to Recording of Condominium Map and Declaration.

A contract or other agreement for the sale of a Condominium Unit entered into prior to the filing for record of the Condominium Map and/or this Declaration in the office of the Clerk and Recorder of the County of Jefferson, Colorado, may legally describe such Condominium Unit in the manner set forth in Section 9.2 hereof and may indicate that the Condominium Map and/or this Declaration are to be recorded. Upon recordation of the Condominium Map and this Declaration in the County of Jefferson, Colorado, such description shall be conclusively presumed to describe the corresponding Condominium Unit shown on the Condominium Map and such Condominium Unit shall be subject in all respects to this Declaration.

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

Condominium Unit _____, WADSWORTH 4045 CONDOMINIUMS, according to the Condominium Map, recorded on July 26, 2001 in Book _____, Page _____, Reception No. F1284435 in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, and as defined and described in the Condominium Declarations for WADSWORTH 4045 CONDOMINIUMS, recorded on July 26, 2001, in Book _____, at Page _____, Reception No. F1284436 in said records.

9.3 Legal Effect of Description. Every contract, deed, lease, mortgage, deed of trust, will and every other instrument affecting title to a Condominium Unit which legally describes said Condominium Unit in the manner set forth in Section 9.2 hereof shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Condominium Unit, but also the undivided interest in the Common Elements appurtenant thereto and all other appurtenant properties and property rights, and incorporate all of the rights, limitations and burdens incident to ownership of a Condominium Unit as described in this Declaration and the Condominium Map. Each such description shall be construed to include a nonexclusive easement for ingress and egress to and from each Condominium Unit and the use of all the General Common Elements as well as all of the Limited Common Elements appurtenant to said Condominium Unit, all as more fully provided in this Declaration.

9.4 Taxation. Each Condominium Unit shall be assessed separately for all taxes, assessments and other charges of the State of Colorado, any political subdivision thereof, any special improvement district, and any other taxing or assessing authority, in accordance with the Common Interest Ownership Act of the State of Colorado, as amended. For the purpose of such assessments, the valuation of the Common Elements shall be apportioned among the

Condominium Units in proportion to the undivided interest in Common Elements appurtenant thereto. The Association shall furnish to the Tax Assessor of Jefferson County, Colorado, and to all other appropriate persons and authorities, all necessary information with respect to such apportionment. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium Unit. 21

ARTICLE X

MECHANIC'S AND OTHER LIENS

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

10.2 Enforcement by the Association. At its own initiative or upon the written request of any Owner, if the Association determines that further action by it is proper and the mechanic's lien(s) or other liens are not disputed claims with a reasonable basis for such dispute, the Association, after notice and hearing, shall enforce the indemnity provided for in Section 10.1 hereof by collecting from the Owner of the Condominium Unit on which the labor was performed or materials or utilities furnished, the amount necessary to discharge any such mechanic's lien or pay such utility charges, including all costs and reasonable attorneys' fees incidental thereto, and obtain a discharge of such lien. In the event that the Owner of the Condominium Unit on which the labor was performed or materials or utilities furnished refuses or fails to so indemnify within seven (7) days after the Association shall have given notice to such Owner of the total amount, or any portions thereof, from time to time, of the amount to be indemnified, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section 10.2 and such amount to be indemnified shall automatically become a lien against such Condominium Unit, and the Association shall proceed to foreclose such lien in accordance with the procedures set forth in Section 7.9 hereof.

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

ARTICLE XI

RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements: 22

11.1 Non-Residential Use. The Common Interest Community is hereby restricted to non-residential use and other permitted uses as allowed by Jefferson County, and such uses as are related to the convenience and enjoyment of such non-residential use. No structures of a temporary character, camper shells, inoperative motor vehicles, tent, shack, garage, barn, or other out building shall be used or permitted to be kept or stored on any portion of the Common Interest Community at any time either temporarily or permanently. Notwithstanding the foregoing, any managing agent hired by the Association to manage the Project may conduct such management activities from within a Condominium Unit.

11.2 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written approval of the Association. Nothing shall be altered on, constructed in or removed from the Common Elements without the prior written approval of the Board of Directors of the Association.

11.3 Exterior Changes. Except for those improvements erected or installed by Declarant in its construction and completion of the Project, no exterior additions to, alterations or decoration of the Condominium Building, including but not limited to any structural alterations to any Condominium Unit or Common Element, nor any changes in fences, hedges, walls or other structures, nor installation of window mounted air conditioning units or any exterior television, radio or other communication antennas of any type, shall be commenced, erected, placed or maintained, without the prior written approval of the Board of Directors of the Association. Subject to the prior written approval of the Board of Directors of the Association approving the proposed materials to be used, any Owner shall have the right to affix tinting materials on the interior surface of windows located in his Condominium Unit.

11.4 Leases. The term "lease", as used herein, shall include any agreement for the leasing or rental of a Condominium Unit and shall specifically include, without limitation, a month-to-month rental. The Owner of a Condominium Unit shall have the right to lease its Condominium Unit under the following conditions:

(a) All leases shall be in writing;

(b) All leases shall provide that the terms of the lease and lessee's occupancy of the Condominium Common Interest Community shall be subject in all respects to the provisions of this Declaration and to the provisions of the Articles of Incorporation, Bylaws and Rules and Regulations. Any failure by the lessee to comply therewith shall be a default under the lease; and

(c) No lease shall be for a term of less than ninety days.

11.5 Restrictions on Alienation. A Unit may not be conveyed pursuant to a

time-sharing arrangement described in Sections 38-33-110 to 113, Colorado Revised Statutes.

11.6 Nuisances. No nuisance shall be allowed on the Project, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the Project by its residents. As used herein, the term "nuisance" shall not include any activities of Declarant in regard to the development and construction of the Project. All parts of the Project shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard to exist. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of the Project or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project, or any portion thereof, shall be observed. 23

11.7 Prohibition of Improvements on Parking Areas. No Owner nor their successors or assigns shall build or maintain, or permit to be built or maintained, any structure on the land delineated on any portion of the Property which is shown as parking area on the Map. These restrictions shall not apply to light towers, appurtenant electrical equipment, signs relating to business conducted on the Property, or traffic or directional signs, fences, gates, or other similar structures which at the time of the erection thereof are usual in connection with the operation of office warehouse parking lots, so long as this does not reduce the number of or limit access to any parking spaces.

11.8 Parking easement. Declarant and each Owner and all tenants, subtenants and licensees of Units and their business invitees, licensees, and employees shall have the right to use, free of charge, to use the parking areas as designated on the Map including entrances, exits, driveways, and walks, in common with all tenants and licensees of Units and their business invitees, licensees, and employees. Parking spaces immediately adjacent to any Unit should be available for the use of such Unit. The Association shall have the right to make reasonable rules and regulations regarding all parking areas.

11.9 Rights-of-way. Developer and Owners and all tenants and licensees of Units and their business invitees, subtenants and employees shall have a right-of-way at all times, for motor vehicles and pedestrians, over the portions of the Property designated on the Map and any recorded subdivision plats as driveways or drives. Such rights-of-way shall provide reasonable access to adjacent public streets so as to permit office warehouse use and development of the Property. The location of such rights-of-way may be varied from time to time by the Developer, so long as it (i) owns a portion of the Property and (ii) provides reasonable vehicular (including semi-tractor and trailer) access to the parking area, and so long as the requirements of the Subdivision Plat as approved by Jefferson County and/or the City of Wheat Ridge shall be complied with.

11.10 Premises Sign. The sign on the Property shall be maintained and replaced from time to time, as a common expense of all of the Units. Each Unit Owner shall have the right to the use of any such common sign, and the Association shall have the right of access to such sign. Any and all electricity, maintenance and/or replacement cost shall be a common expense of all Unit Owners. The Association shall make a reasonable determination of the monthly cost of electricity for the Premises sign, and this amount shall be a common expense of the Property.

11.11 Prohibited commercial activities. No Owner shall operate or permit the operation upon the Property of any enterprise carrying on any of the below-listed or similar businesses; nor permit the sale upon the Property of the below-listed products:

a. Any bar, tavern, or cocktail lounge (except that a cocktail lounge may be permitted in a restaurant);

b. Any adult book or adult video store (i.e., a store which primarily sells books, magazines, videos or other materials or rents videos or other materials which cannot legally be sold or rented to persons under the age of 18);

c. Any use which emits an obvious odor, noise, or sound which can be heard or smelled outside any building in the Property; provided, however, that this provision shall not: (i) prohibit an internal paging system; (ii) prohibit a two-way speaker system installed in a Drive Through Facility for the purpose of placing and receiving orders or otherwise conducting business transactions; and (iii) apply to properly maintained and serviced garbage receptacles.

d. Any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during period of construction, reconstruction, or maintenance);

e. Any dumping, disposing, incineration, or reduction of garbage (exclusive of trash compactors, shredders, balers or receptacles located in or at the rear of any building and used only for the management of trash generated by the Occupant of such building);

f. Any fire sale, bankruptcy sale (unless pursuant to a court order), or auction house operation;

g. Any central laundry, dry cleaning plant, or laundromat facility that launders, dry cleans or presses clothing or linens for a retail service location other than the building in which such facility is located or for delivery to commercial customer locations;

h. Any living quarters, sleeping apartments, or lodging rooms;

i. Any veterinary hospital or animal breeding and raising facilities (this prohibition does not include pet shops); and

j. Any mortuary.

ARTICLE XII

EASEMENTS

12.1 Recorded Easements. In addition to all easements and rights-of-way of record at or before the recording of this Declaration, the Property and all portions thereof, shall be subject to the easements as shown on any recorded plat of the Property, or any portion thereof, and as shown on the recorded Condominium Map.

12.2 Encroachments. In the event that any portion of the Common Elements encroaches upon any Individual Air Space Unit(s) or in the event that any portion of an

Individual Air Space Unit encroaches upon any other Individual Air Space Unit(s) or upon any portion of the Common Elements, or in the event any encroachment shall occur in the future as a result of: (i) settling of the Condominium Building, or (ii) alteration or repair to the Common Elements, or (iii) repair or restoration of any Condominium Building and/or one or more Condominium Unit(s) after damage by fire or other casualty, or condemnation or eminent domain proceedings, then, in any of said events, a valid easement shall exist for the encroachment and for the maintenance of the same so long as the encroachment exists. In the event that any one or more of the Condominium Units, any Condominium Building or other improvements comprising part of the Common Elements, are partially or totally destroyed and are subsequently rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding or reconstruction, any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment shall then exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Condominium Units for purposes of marketability of title or other purposes. In interpreting any and all provisions of this Declaration, subsequent deeds, mortgages, deeds of trust or other security instruments relating to Condominium Units, the actual location of an Individual Air Space Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered, notwithstanding any minor deviations, either horizontally, vertically or laterally, from the location of such Individual Air Space Unit as indicated on the Condominium Map. 25

12.3 Utility Easements. There is hereby created a general easement upon, across, over, in and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electrical and satellite or cable television. By virtue of this easement, it shall be expressly permissible and proper for the companies providing electrical, telephone and television services to erect and maintain the necessary poles and other necessary telephone and television wires, cables, circuits, conduits, equipment and apparatus on, above, across and under the roofs and exterior walls of the Condominium Building. Notwithstanding anything to the contrary contained in this Section 12.3, no water, sewer, gas, telephone, electrical, satellite television or cable television lines systems or facilities may be installed or relocated on the Property except as approved by the Association. Should any utility company furnishing a service covered by the general easement herein created request a specific easement by separate recordable document, Declarant shall have, and hereby reserves, the right and authority to grant such easement upon, across, over or under any part or all of the Property without conflicting with the terms hereof; provided, however, that such power shall cease upon conveyance of the last Condominium Unit by Declarant to the first Owner thereof (other than Declarant). The easement provided for in this Section 12.3 shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Property. Public Service Company retains two (2) keys to each Building in the Project for the purpose of entering in an emergency and for reading of meters and is granted an easement for these purposes.

12.4 Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon all streets and upon the Common Elements in the proper performance of their duties.

12.5 Maintenance Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under the Common Elements and right to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain on the Common Elements

maintenance and storage facilities for use by the Association.

12.6 Drainage Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under any portion of the Property for the purpose of changing, correcting or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water on the Property.

12.7 Easements of Access for Repair, Maintenance and Emergencies. Some of the Common Elements are or may be located within Individual Air Space Units or may be conveniently accessible only through Individual Air Space Units. The Owners of other Individual Air Space Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Individual Air Space Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair, removal or replacement of any of the Common Elements located therein or accessible therefrom, or for making emergency repairs therein, necessary to prevent damage to the Common Elements or to any Individual Air Space Unit. The Association shall also have such right, independent of any agency relationship. Subject to the provisions of Section 6.2 hereof, damage to the interior of any part of an Individual Air Space Unit resulting from the maintenance, repair, emergency repair, removal or replacement of any of the Common Elements or as a result of emergency repairs within any Individual Air Space Unit at the instance of the Association or any Owner, shall be an expense of all the Owners. Non-emergency repairs shall be made only during regular business hours on business days after twenty-four (24) hours notice to the occupants of the Individual Air Space Unit wherein such repairs are to be made, except where the occupants have no objections to earlier entry for repairs. Emergency repairs may be made at any time, and in emergency situations the occupants of the affected Individual Air Space Unit be warned of impending entry as early as is reasonably possible.

12.8 Easements Deemed Created. All conveyances of Condominium Units hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article XII, even though no specific reference to such easement or to this Article XII appears in the instrument of such conveyance.

ARTICLE XIII

DAMAGE, DESTRUCTION, OBSOLESCENCE OR CONDEMNATION

13.1 Association as Attorney-in-Fact. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the Property in the event of its destruction, damage, obsolescence or condemnation, including the repair, replacement and improvement of any Condominium Units, Condominium Building, Common Elements or other portions of the Property which have been destroyed, damaged, condemned or become obsolete. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the Project upon its damage, destruction, obsolescence or condemnation, as is hereinafter provided. As attorney-in-fact, the Association by its President and Secretary or Assistant Secretary, or its other duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instruments with respect to the

interest of an Owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of the Owners shall be held within thirty (30) days after either such event. At such meeting a new attorney-in-fact, to deal with the Project upon its construction, damage, obsolescence or condemnation, shall be appointed. Such appointment must be approved by the Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Common Elements and at least sixty-seven percent (67%) of the First Mortgagees of Condominium Units based upon one vote for each First Mortgage held. 27

13.2 Damage or Destruction. "Repair and reconstruction" of the improvements, as used in the succeeding subparagraphs, means restoring the improvement(s) to substantially the same condition in which they existed prior to their damage or destruction, with each Condominium Unit and the General and Limited Common Elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in substantial conformance with the Project's original architectural plan and scheme, to the extent then reasonably and economically feasible. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, reconstruction, restoration and replacement, in accordance with the provisions hereinafter set forth;

(a) Notwithstanding the provisions of Article XVIII hereof relating to the percentage required for consent or approval of Owners and First Mortgagees, in the event of damage or destruction due to fire or other adversity or disaster, the insurance proceeds, if sufficient to repair or reconstruct the improvement(s), shall be applied by the Association as attorney-in-fact, to such repair and reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power as attorney-in-fact to cause the repair and reconstruction of the improvement(s). Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and construction.

(b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), 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 which, notwithstanding anything to the contrary contained in Section 7.6 hereof, shall be made without a vote of the Owners against all of the Owners and their Condominium Units. Such special assessment shall be assessed in accordance with the provisions of Section 7.6 hereof, and shall be due and payable not sooner than thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of the improvement(s), using all of the insurance proceeds for such purpose, notwithstanding failure of an Owner to pay the aforesaid special assessment. The special assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit, and may be enforced and collected as provided in Section 7.9 hereof, including the provisions therein pertaining to the payment of interest, late charges, costs, attorneys' fees and expenses. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

(c) Notwithstanding subsection (b) of this Section 12.3 and subject to the provisions of Article XVIII hereof relating to the percentages required for approval or consent of Owners, First Mortgagees, and insurers and guarantors of First Mortgages, if applicable, the Owners may agree not to repair or reconstruct the improvements; in such event, the Association shall forthwith record a notice in the office of the Clerk and Recorder of the County of Jefferson, Colorado, setting forth such facts, and upon the recordation of such notice

executed by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association pursuant to the provisions of this Section, as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Condominium Map, and the Articles of Incorporation and Bylaws of the Association. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, combined with all sale proceeds and all such proceeds shall be divided into portions by the Association, each portion representing one Condominium Unit, with the amount of each portion to be reasonably, and in good faith, allocated to each Condominium Unit by the Board of Directors of the Association based on the comparative value of the Condominium Units as they existed immediately prior to the damage and destruction, using such evidence of the appraised values as is then available, including but not limited to recent appraisals, prepared by an appraiser certified by the MAI or the reasonable equivalent of such certification, of the Property, portions thereof or comparable property. Such divided proceeds shall be paid into separate accounts. 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(s) and First Mortgagees thereof. From each separate account, the Association, as attorney-in-fact, shall forthwith use and disburse the total amount of each such account, without contribution from one account to another, toward the payment of the liens encumbering the Condominium Unit represented by such separate account, as follows:

- (i) For payment of taxes and special assessment liens in favor of any assessing entity;
- (ii) For payment of the lien of any First Mortgage;
- (iii) For payment of unpaid Association common expense assessments, other assessments, charges and fees, and all costs, expenses and fees incurred by the Association;
- (iv) For payment of the customary expenses of sale;
- (v) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (vi) The balance remaining, if any, shall be paid to the Owner(s) of the Condominium Unit.

13.3 Obsolescence.

(a) The Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Condominium Units may agree that the Common Elements are obsolete and adopt a plan for the renewal and reconstruction thereof. If a plan for the renewal of reconstruction is adopted, notice of such plan shall be recorded in the office of the Clerk and Recorder for the County of Jefferson, Colorado, and the expenses of renewal and reconstruction shall be payable by all of the Owners as a common expense, whether or not they have previously consented to the plan of renewal and reconstruction. The aforesaid common expense assessment for the renewal and construction of the Common Elements shall be a debt of each Owner and a lien on its Condominium Unit which may be enforced and collected as provided in Section 7.9 hereof.

(b) Subject to the provisions of Article XVII hereof, relating to the percentages required for approval or consent of Owners, First Mortgagees, insurers and guarantors of First Mortgages, if applicable, the Owners may agree that the Condominium Units are obsolete and that the same should be sold. In such instance, the Association shall forthwith record in the office of the Clerk and Recorder of the County of Jefferson, Colorado, a notice setting forth such facts, and upon the recordation of such notice executed by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association, as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Condominium Map, and the Articles of Incorporation and the Bylaws of the Association. The sale proceeds shall be paid into separate accounts, each such account representing the Condominium Unit as more fully provided in Section 13.2(c) hereof. 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(s) thereof. From each separate account the Association, as attorney in fact, 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 Section 13.2(c) hereof. 29

13.4 Condemnation. If at any time or times during the continuance of condominium ownership pursuant to this Declaration, all or any part of the 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 Section 13.4 shall apply:

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

(b) In the event that the entire Project is taken, condemned, 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 by the Board of Directors of the Association in accordance with the procedure set forth in Section 13.2(c) hereof; provided, however, that if a standard different from the value of the Project as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable. The Association shall, as soon as practicable, determine the share of the Condominium 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 as provided in Section 13.2(c) hereof.

(c) Subject to the provisions of Article XVII hereof, relating to the approval of specified percentages of Owners and/or First Mortgagees, in the event that less than the entire Project is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award, to be determined in the following manner: as soon as practicable, subject to the following sentence, the Association shall reasonably, and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts to be allocated among the Owners as follows: (i) the total amount allocated to taking of or injury to the General Common Elements appurtenant to each Condominium Unit; (ii) the total amount allocated to severance damages shall be apportioned among the Owners on the basis of the undivided interest in the Common Elements appurtenant to each Condominium Unit; (ii) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (iii) the respective amounts allocated to the taking of or damage to a particular Condominium Unit,

including but not limited to the Limited Common Elements appurtenant thereto, and to the improvements an Owner has made within its Condominium Unit, shall be apportioned to the particular Condominium Unit involved and (iv) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances, or as determined by judicial decree. ³⁰ Notwithstanding anything to the contrary contained in this Declaration, the allocation of the Condemnation Award to each affected Condominium Unit shall be based on the comparative values of the affected Condominium Units as they existed immediately prior to the condemnation, using such evidence of the appraised values as is then available, including but not limited to recent appraisals, prepared by an appraiser certified by the MAI or the reasonable equivalent of such certification, of the affected property or comparable property. If the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award, the Association shall employ such allocation to the extent it is relevant and applicable. Apportioned proceeds shall be disbursed, as soon as practicable, in the same manner as provided in Section 13.2(c) hereof.

(d) Subject to the provisions of Article XVII hereof relating to the percentages required for approval or consent of Owners, First Mortgagees, and insurers and guarantors of First Mortgages, if applicable, in the event a partial taking results in the taking of a complete Condominium Unit, the Owner(s) thereof shall automatically cease to be member(s) of the Association, shall cease to hold any right, title or interest in the remaining Common Elements, and shall execute any and all documents necessary to accomplish the same. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the principles employed in this Declaration at its inception, and shall submit such reallocation to the Owners and to the First Mortgagees of all remaining Condominium Units for amendment of this Declaration as provided in Article XV hereof. The Condemnation Award as to each such completely taken Condominium Unit shall be paid into a separate account and disbursed, as soon as practicable, in the same manner as provided in Section 13.2(c) hereof.

(e) Any reconstruction and repair necessitated by condemnation shall be governed by the procedures of Section 13.2 hereof.

ARTICLE XIV

BURDENS AND BENEFITS OF DECLARATION

14.1 Covenants Running with Property. The benefits, burdens, and all other provisions contained in this Declaration shall be covenants running with and binding upon the Property.

14.2 Binding Upon and Inure to the Successors. The benefits, burdens and all other provisions contained in this Declaration shall be binding upon, and inure to the benefit of the Declarant, the Association and all Owners, and upon and to respective heirs, executors, administrators, personal representatives, successors and assigns. Any right or any interest reserved or contained in this Declaration to or for the benefit of the Declarant may be transferred or assigned by the Declarant, either separately or with one or more of such rights or interests, to any person, corporation, partnership, association or other entity.

ARTICLE XV

AMENDMENT OF DECLARATION

15.1 Amendment. Except for those matters governed by Section 16(1)(a) hereof, the provisions of this Declaration may be amended, in whole or in part, at any time and from time to time, by instrument approved in writing by not less than sixty-seven percent (67%) of the members; provided, however, that until the Declarant has conveyed all Condominium Units to the first Owners hereof (other than Declarant), any amendment of Section 5.3, 7.5 and 15.2 shall require the prior written approval of the Declarant. 31

15.2 Amendment by Declarant. Notwithstanding the provisions of Section 15.1, if Declarant shall determine that any amendments to this Declaration or any amendments to the Articles of Incorporation or Bylaws of the Association shall be necessary in order for existing or future mortgages to be acceptable to any of the Agencies, then, subject to the following sentence of this Section 15.2, Declarant shall have and hereby specifically reserves the right and power to make and execute any such amendments without obtaining the approval of any Owners or First Mortgagees. Each such amendment of this Declaration or of the Articles of Incorporation or Bylaws of the Association shall be made, if at all, by Declarant prior to (a) conveyance of the last Condominium Unit by Declarant to the first Owner thereof (other than Declarant), or (b) ten (10) years from the date upon which this Declaration is recorded in the records of the office of the Clerk and Recorder of Jefferson County, Colorado, whichever shall first occur.

15.3 Technical Corrections by Declarant. Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration at any time prior to the termination of its right to appoint the Board of Directors of the Association for the purposes of correcting spelling, grammar, dates or as is otherwise necessary to clarify the meaning of the provisions of this Declaration. Technical corrections are not amendments and shall not be construed as such.

15.4 Technical Corrections by Board of Directors. The Association, through its Board of Directors, is hereby granted the right and power to record technical corrections to the Declaration (and all Amendments to the Declaration) for the purpose of correcting spelling, grammar, dates, typographical errors, or as may otherwise be necessary to clarify the meaning of the provisions of the Declaration and any Amendments to the Declaration. Such technical corrections become effective after approval by the Board of Directors and upon recording at the office of the Clerk and Recorder and do not require Mortgagee or member approval. Technical corrections are not amendments and shall not be construed as such.

15.5 Recording of Amendments. To be effective, all amendments to this Declaration must be recorded in the office of the Clerk and Recorder of Jefferson County, Colorado, and must contain evidence of approval thereof showing the notarized signatures of all the appropriate parties.

ARTICLE XVI

FIRST MORTGAGEES

16.1 Member and First Mortgagee Approval. Subject to Sections 15.2 hereof, but notwithstanding any other provisions of this Declaration to the contrary, the Association shall not:

(a) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of each class of Members and sixty-seven percent (67%) of the First Mortgagees of Condominium Units (based on one vote for each First Mortgage held):

- (1) seek to abandon or terminate the Project, whether by act or omission;
- (2) change the pro rata interest or obligations of any individual Condominium Unit for the purpose of:
 - (A) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or
 - (B) determining the pro rata share of ownership of each Condominium Unit in the Common Elements;
 - (C) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (excluding the granting of permits, licenses and easements for public utilities, roads or other purposes reasonably necessary or useful for the proper maintenance or operation of the Project);
 - (D) partition or subdivide any Condominium Unit; or
 - (E) use hazard insurance proceeds for losses to any condominium property (whether to Condominium Units or Common Elements) for other than the repair, replacement or reconstruction of such condominium property in accordance with the procedures set forth in Section 13.2 hereof, except as may be provided by statute in the case of substantial loss to such Condominium Units and/or Common Elements.

(b) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of each class of Members, and fifty-one percent (51%) of the First Mortgagees of Condominium Units (based upon one vote for each First Mortgage owned);

- (1) add or amend any material provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association, which establish, provide for, govern or regulate any of the following (provided that such additions or amendments shall not be considered amendments or material if they are for the purpose of correcting technical errors or for clarification only):
 - (A) voting rights;
 - (B) assessments, assessment liens or priority of such liens;
 - (C) reserves for maintenance, repair and replacement of those

elements of the Common Elements which must be maintained, repaired or replaced on a periodic basis;

- (D) insurance, including but not limited to fidelity bonds;
- (E) reallocation of interests in or rights to use of the Common Elements;
- (F) responsibility for maintenance and repair of any portion of the Project;
- (G) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project;
- (H) boundaries of any Condominium Unit;
- (I) any action to terminate the legal status of the Project after substantial destruction or condemnation occurs;
- (J) convertibility of Condominium Units into Common Elements or of Common Elements into Condominium Units;
- (K) leasing of Condominium Units;
- (L) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer or otherwise convey its Condominium Unit;
- (M) any provisions which are for the express benefit of First Mortgagees, or insurers or guarantors of First Mortgages; or

33

- (2) effectuate any decision to terminate professional management and assume self-management of the Association, when professional management has previously been required by any First Mortgagee or any insurer or guarantor of a First Mortgage;

(c) unless it has obtained the prior written consent of at least fifty-one percent (51%) of the First Mortgagees of Condominium Units (based upon one vote for each First Mortgage owned):

- (1) restore or repair the Project, or any portion thereof, including but not limited to improvements located thereon, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the most recent plans and specifications for the Project and the construction of improvements thereon;
- (2) terminate the legal status of the Project after substantial destruction or a substantial taking in condemnation of the Project.

16.2 Notice of Action.

(a) A First Mortgagee or insurer or guarantor of a First Mortgage shall be entitled to timely written notice of:

- (1) any condemnation loss or casualty loss which affects a material portion of the Project or any Condominium Unit subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor of a First Mortgage;
- (2) any lapse, cancellation or material modification or any insurance policy or fidelity bond maintained by the Association;
- (3) any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XVII or elsewhere in this Declaration.

(b) upon written request therefor, a First Mortgagee or insurer or guarantor of a First Mortgage shall be entitled to timely written notice of any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Condominium Unit subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor, or of any default by such Owner in any obligation under the Declaration, Articles of Incorporation or Bylaws of the Association and the Board of Directors of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days;

16.3 Financial Statements. The Association shall provide its financial statement (which may be audited or unaudited in the discretion of the Association) for the immediately preceding fiscal year, free of charge to the party so requesting, to any First Mortgagee of a Condominium Unit, or any insurer or guarantor of such a First Mortgage, within a reasonable time after written request therefor made by any such First Mortgagee, insurer or guarantor of such a First Mortgage.

16.4 Association Books and Records. The Association shall make available to Owners, First Mortgagees of Condominium Units and insurers or guarantors of any such First Mortgage, current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations, books, records and financial statements of the Association. The Association shall make available to prospective purchasers of Condominium Units current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations and the most recent annual financial statement, if such is prepared, of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

16.5 Consent to Amendments. Any First Mortgagee who receives a written request (via certified or registered mail, "return receipt requested") to approve any material or non-material additions or amendments who does not deliver or post, by registered or certified mail, "return receipt requested", to the requesting party a negative response within thirty (30) days of receipt shall be deemed to have approved such request.

ARTICLE XVII

MISCELLANEOUS

17.1 Period of Condominium Ownership. The condominium ownership created by this Declaration and the Condominium Map shall continue until this Declaration is terminated in any manner provided in this Declaration. 35

17.2 Supplement to Condominium Ownership Act. The provisions of this Declaration shall be in addition and supplemental to the Colorado Common Interest Ownership Act, as it may be amended from time to time, and to all other applicable provisions of law. In the event this Declaration conflicts with the Colorado common Interest Ownership Act, the Colorado Common Interest Ownership Act, as amended from time to time, shall control.

17.3 Conveyance of Condominium Units. All Condominium Units, whether or not the instrument of conveyance or assignment shall refer to this Declaration, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and all other terms and provisions contained in this Declaration, as it may be amended from time to time.

17.4 Enforcement. Enforcement of these covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation or Bylaws of the Association, as amended, shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provision, to enjoin or restrain such violation or citation and any aggrieved Owner shall have the right to institute, maintain and/or prosecute any such proceedings; in any such action the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto.

17.5 Registration of Mailing Address. Each Owner, First Mortgagee, insurer and guarantor of a First Mortgage, shall register its mailing address with the Association, and notices or demands intended to be served upon any Owner, First Mortgagee, insurer or guarantor of a First Mortgage shall be delivered by messenger or sent by mail, postage prepaid, addressed in the name of such person or entity at such registered address.

17.6 Non-Waiver. Failure by the Declarant, the Association, any Owner, First Mortgagee, or other person or entity to enforce any covenant, condition, restriction, easement, reservation, right-of-way or other provision contained in this Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

17.7 Severability. 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 circumstance shall not be affected thereby.

17.8 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.9 Captions. The captions of the Articles and Sections are included solely for convenience and reference, and shall have no significance in the interpretation of this

document.

17.10 Conflicts in Documents. In the event there shall be any conflict between the provisions of this Declaration and the Articles or any Bylaw or Rule and Regulation of the Association, the provisions of this Declaration shall be controlling.

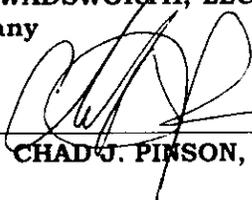
36

17.11 Counterparts. This Declaration, and any amendments hereto, may be executed in several counterparts and all counterparts so executed shall constitute one document binding on all signatories thereof, notwithstanding that all signatories have not executed the original or the same counterpart. In the event that any such document is executed in counterparts, those pages from the counterparts on which signatures and/or certificates of notaries public appear may be attached to the original instrument for the recordation thereof, provided that such recorded document shall also contain a certification of the Secretary of the Association that all counterparts, as executed, are identical.

17.12 Special Declarant Rights. If any right reserved herein by Declarant for the benefit of Declarant is a "development right" or a "special declarant right" as such terms are used in the Colorado Common Interest Ownership Act, then such right shall expire ten (10) years from the date this Declaration is recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set their hands this 20 day of July, 2001.

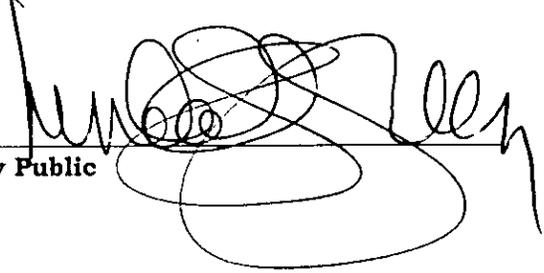
4045 WADSWORTH, LLC, a Colorado limited liability company

By: 
CHAD J. PINSON, Manager

STATE OF COLORADO)
COUNTY OF Denver) ss.

The above and foregoing CONDOMINIUM DECLARATION FOR WADSWORTH 4045 CONDOMINIUMS was subscribed and sworn to before me this 20 day of July, 2001, by CHAD J. PINSON as Manager of 4045 WADSWORTH, LLC, a Colorado limited liability company, Owner and Declarant.

Witness my hand and official seal.
My commission expires: 5/22/03


Notary Public

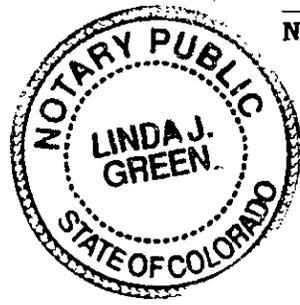


EXHIBIT A

(Attached to and made a part of the
Condominium Declaration for
WADSWORTH 4045 CONDOMINIUMS)

37

LEGAL DESCRIPTION:

PARCEL A:

A PART OF THE NE 1/4 SW 1/4 OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH P.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF THE EAST LINE OF SAID NE 1/4 SE 1/4 SW 1/4 WHICH IS 347.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 329.07 FEET, MORE OR LESS, TO THE CENTER LINE OF THE NE 1/4 SE 1/4 SW 1/4 OF SAID SECTION; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SW 1/4, 144 FEET; THENCE EAST AT RIGHT ANGLES, 329.07 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SW 1/4; THENCE SOUTH ALONG THE SAID EAST LINE, 144 FEET TO THE POINT OF BEGINNING; EXCEPT THAT PORTION THEREOF LYING IN EXISTING WADSWORTH BOULEVARD AND AS CONVEYED TO DEPARTMENT OF HIGHWAYS BY DEED RECORDED IN BOOK 1191 AT PAGE 180, COUNTY OF JEFFERSON, STATE OF COLORADO.

PARCEL B:

THAT PART OF THE NE 1/4 SE 1/4 SW 1/4 OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH P.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID NE 1/4 SE 1/4 SW 1/4 WHICH IS 491.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 329.07 FEET, MORE OR LESS, TO THE CENTER LINE OF THE NE 1/4 SE 1/4 SW 1/4 OF SAID SECTION; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SW 1/4, 144 FEET, MORE OR LESS, TO THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE; THENCE EAST ALONG THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE, 329.07 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SW 1/4; THENCE SOUTH ALONG SAID EAST LINE, 144 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PORTION THEREOF LYING IN EXISTING WADSWORTH BOULEVARD AND AS CONVEYED TO DEPARTMENT OF HIGHWAYS BY DEED RECORDED IN BOOK 1191 AT PAGE 180, AND

EXCEPTING FROM THE PARCELS A AND B THE FOLLOWING DESCRIBED TRACT OF LAND:

A PART OF THE NE ¼ SE ¼ SW ¼ OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST 6TH P.M., DESCRIBED AS FOLLOWS:

38

BEGINNING AT A POINT ON THE EAST LINE OF SAID NE ¼ SE ¼ SW ¼ WHICH IS 347.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 319.07 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING; THENCE NORTH 288.0 FEET, MORE OR LESS, TO THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE; THENCE WEST AT RIGHT ANGLES ALONG THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE, 10.0 FEET, MORE OR LESS, TO THE CENTERLINE OF THE NE ¼ SE ¼ SW ¼ OF SAID SECTION; THENCE SOUTH AT RIGHT ANGLES ALONG THE CENTERLINE 288.0 FEET, MORE OR LESS; THENCE EAST AT RIGHT ANGLES 10.0 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPTING FROM THE ABOVE DESCRIPTIONS THAT LAND CONVEYED TO THE CITY OF WHEAT RIDGE UNDER DEED RECORDED JUNE 30, 1996 AT RECEPTION NO. F0255828,
COUNTY OF JEFFERSON,
STATE OF COLORADO.

THE LEGAL DESCRIPTION GIVEN ABOVE FOR THE SUBJECT PROPERTY IS AS SPECIFICALLY CITED IN A SPECIAL WARRANTY DEED FILED WITH THE JEFFERSON COUNTY CLERK AND RECORDER'S OFFICE AT RECEPTION NO. F0705185 ON SEPTEMBER 30, 1998.

County of Jefferson,
State of Colorado.

Also known and numbered as 4045 Wadsworth Blvd., Wheat Ridge, Colorado

EXHIBIT B

(Attached to and made a part of the
Condominium Declaration for
WADSWORTH 4045 CONDOMINIUMS)

39

CONDOMINIUM UNIT	PERCENTAGE
Garden Level:	
UNIT 10	3.38%
UNIT 20	2.75%
UNIT 30	4.04%
UNIT 40	2.12%
UNIT 50	1.04%
UNIT 60	2.97%
UNIT 70	1.45%
UNIT 80	4.04%
First Floor	
UNIT 100	6.13%
UNIT 103	4.13%
UNIT 104	3.12%
UNIT 110	3.00%
UNIT 111	6.09%
UNIT 112	2.69%
Second Floor	
UNIT 200	2.08%
UNIT 205	1.00%
UNIT 210	8.24%
UNIT 220	2.03%
UNIT 250	6.11%
UNIT 260	1.74%
UNIT 270	3.49%
UNIT 290	2.61%
Third Floor	
UNIT 300	4.10%
UNIT 303	4.12%
UNIT 306	4.02%
UNIT 307	4.28%
UNIT 308	1.00%
UNIT 309	1.00%
UNIT 310	4.10%
UNIT 311	3.13%
TOTAL	100%

COPY

CONDOMINIUM DECLARATION FOR WADSWORTH 4045 CONDOMINIUMS

TABLE OF CONTENTS

	PAGE NO.
ARTICLE I - Definitions	
1.1 Association	1
1.2 Common Elements	1
1.3 Condominium Building	2
1.4 Condominium Map	2
1.5 Condominium Unit	2
1.6 Declarant	2
1.7 Declaration	2
1.8 First Mortgage	2
1.9 First Mortgagee	3
1.10 General Common Elements	3
1.11 Individual Air Space Unit	3
1.12 Limited Common Elements	3
1.13 Owner	3
1.14 Project	3
1.15 Property	3
1.16 Property to be Annexed	3
ARTICLE II - Division of Project Into Condominium Ownership	
2.1 Division Into Condominium Units	4
2.2 Right to Combine Condominium Units	4
2.3 Inseparability	4
2.4 Non-Partitionability	4
ARTICLE III - Condominium Map	
3.1 The Condominium Map	5
3.2 Content	5
3.3 Amendments	5
ARTICLE IV - Owner's Property Rights In Common Elements	
4.1 Rights of Owner's Easements of Enjoyment and Rights of Ingress and Egress	5
4.2 Limited Common Elements	6
ARTICLE V - Membership and Voting Rights in the Association	
5.1 Membership	6
5.2 Classes of Voting Membership	6
5.3 Reservation	6
ARTICLE VI - The Association	
6.1 Management and Maintenance Duties and Duty to Establish Reserve Account	7

6.2	Owner's Negligence: Prohibition of Certain Activities	7
6.3	Management Agreements and Other Contracts	9
6.4	Acquiring and Disposing of Personal Property	9
6.5	Promulgation of Rules and Regulations	9
6.6	New Additions to Common Elements	10
6.7	Contracts Licenses and Agreements	10
ARTICLE VII - Assessments		
7.1	Personal Obligation for Assessments	10
7.2	Amount of Common Expense Assessments	11
7.3	Reserves	12
7.4	Date of Commencement of Annual Common Assessment	12
7.5	Rate of Assessment	12
7.6	Special Assessments	12
7.7	Notice of Quorum for Action Authorized Under Section 7.6	12
7.8	Lien for Assessment	13
7.9	Effect of Non-Payment of Assessment	13
7.10	Successor's Liability for Assessments	13
7.11	Subordination of Association's Lien for Assessments	14
7.12	Certificate of Status of Assessments	14
7.13	Contributions to the Working Capital	14
7.14	Mortgagees May Pay Assessments and Cure Defaults	15
7.15	Liens	15
ARTICLE VIII - Insurance		
8.1	Duty to Obtain and Maintain Insurance	15, 16
8.2	Insurance Obtained by Owners	16
8.3	Annual Review of Insurance Policies	17
8.4	Prohibition of Increase in Insurable Risks and Certain Activities	17
ARTICLE IX - Conveyances and Taxation of Condominium Units		
9.1	Contracts Entered Into Prior to Recording of Condominium Map and Declaration	17
9.2	Contracts Entered Into Subsequent to Recording of Condominium Map and Declaration	17
9.3	Legal Effect of Description	18
9.4	Taxation	18
ARTICLE X - Mechanic's and Other Liens		
10.1	Mechanic's and Other Liens	18
10.2	Enforcement by the Association	18
10.3	Effect of Part Payment	19
ARTICLE XI - Restrictions on Use, Alienation and Occupancy		
11.1	Residential Use	19
11.2	Use of Common Elements	19
11.3	Exterior Changes	19
11.4	Leases	19
11.5	Restrictions of Alienation	20
11.6	Nuisances	20

11.7	Garbage Collection	20
ARTICLE XII - Easements		
12.1	Recorded Easements	20
12.2	Encroachments	20
12.3	Utility Easements	21
12.4	Emergency Easement	21
12.5	Maintenance Easement	21
12.6	Drainage Easement	21
12.7	Easements of Access for Repair, Maintenance and Emergencies	21, 22
12.8	Easements Deemed Created	22
ARTICLE XIII - Damage, Destruction, Obsolescence or Condemnation		
13.1	Association as Attorney-in-Fact	22
13.2	Damage or Destruction	22
13.3	Obsolescence	24
13.4	Condemnation	25
ARTICLE XIV - Burdens and Benefits of Declaration		
14.1	Covenants Running with Property	26
14.2	Binding Upon and Inure to the Successors	26
ARTICLE XV - Amendment of Declaration		
15.1	Amendment	26
15.2	Amendment by Declarant	26
15.3	Technical Corrections by Declarant	27
15.4	Technical Corrections by Board of Directors	27
15.5	Recording of Amendments	27
ARTICLE XVI - First Mortgagees		
16.1	Member and First Mortgagee Approval	28
16.2	Notice of Action	30
16.3	Financial Statements	30
16.4	Association Books and Records	30
16.5	Consent to Amendments	30
ARTICLE XVII - Miscellaneous		
17.1	Period of Condominium Ownership	31
17.2	Supplement to Condominium Ownership Act	31
17.3	Conveyance of Condominium Units	31
17.4	Enforcement	31
17.5	Registration of Mailing Address	31
17.6	Non-Waiver	31
17.7	Severability	31
17.8	Number and Gender	31
17.9	Captions	31
17.10	Conflicts in Documents	31
17.11	Counterparts	31
17.12	Special Declarant Rights	31

**CONDOMINIUM DECLARATION
FOR
WADSWORTH 4045 CONDOMINIUMS**

KNOW ALL PERSONS BY THESE PRESENTS:

THAT THIS DECLARATION, is made on the date hereinafter set forth by 4045 WADSWORTH, LLC, a Colorado limited liability company, with an office at c/o Chad J. Pinson, P.O. Box 371562, Denver, CO 80237, hereinafter referred to as "Declarant."

R E C I T A L S:

a) Declarant is the owner of certain real estate located at 4045 Wadsworth in the City Wheat Ridge, County of Jefferson, State of Colorado, which is more particularly described as set forth in Exhibit A attached hereto and by reference made a part hereof, and adjacent real property upon which additional condominium units are anticipated to be constructed in the future;

b) Declarant desires to create a Common Interest Community on the real estate described in Exhibit A, the name of which is "WADSWORTH 4045 CONDOMINIUMS" in which portions of the real estate described in Exhibit A will be designated for separate ownership and the remainder of which will be designated for common ownership solely by the owners of the separate ownership portions; and,

c) Declarant has caused to be incorporated under the laws of the State of Colorado, WADSWORTH 4045 CONDOMINIUM ASSOCIATION, INC., a nonprofit corporation for the purpose of exercising the functions as herein set forth.

ARTICLE I

DEFINITIONS

1.1 **Association.** "Association" shall mean and refer to WADSWORTH 4045 CONDOMINIUM ASSOCIATION, INC., a Colorado non-profit corporation, its successors and assigns. The Association shall act by and through its Board of Directors and Officers.

1.2 **Common Elements.** "Common Elements" shall mean and refer to the totality of:

- (a) The Property excluding any individual Condominium Unit; and
- (b) Any sidewalks, parking areas, walkways, paths, grass, shrubbery, trees, driveways, street, fire lanes, and landscaping located on the Property; and

(c) In general, all other parts of the Project existing for the common uses of the Owners, and all other parts of the Project necessary or convenient to its existence, maintenance or safety, or normally in common use.

1.3 **Condominium Building.** "Condominium Building" shall mean and refer initially to the each building on the Property as shown on the Map.

1.4 Condominium Map. "Condominium Map" ("Map") shall mean and refer to the Condominium Map for WADSWORTH 4045 CONDOMINIUMS, recorded in the office of the Clerk and Recorder of the County of JEFFERSON at Book _____, Page _____, Reception No. _____

1.5 Condominium Unit. "Condominium Unit" shall mean and refer to the fee simple interest in and to an Individual Air Space Unit consisting of 30 separate air space Units within the Buildings on the Property, together with all fixtures and improvements therein contained, and together with the undivided interest in the Common Elements appurtenant to the Individual Air Space Unit as shown on Exhibit B attached hereto and incorporated herein by this reference and on the Condominium Map. The formula for determining the percentage interest is based upon the square footage of each unit within the buildings, and the ratios set forth on Exhibit B shall remain the same for future assessments.

1.6 Declarant. "Declarant" shall mean and refer to, 4045 WADSWORTH, LLC, a Colorado limited liability company, its successors and assigns provided that such successors and assigns shall first be designated by 4045 WADSWORTH, LLC as Declarant for one or more purposes by a written instrument duly recorded in the office of the Clerk and Recorder of the County of Jefferson.

1.7 Declaration. "Declaration" shall mean and refer to this Condominium Declaration as it may be amended from time to time.

1.8 First Mortgage. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security interest recorded in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments) and those assessments which may be imposed by this Declaration, a lien of which is made superior by the Common Interest Ownership Act of the State of Colorado.

1.9 First Mortgagee. "First Mortgagee" shall mean and refer to any person named as a mortgagee or beneficiary under any First Mortgage (including, for purposes of Section 7.10, 7.11, 7.12 and, with respect to notice of cancellation or substantial modification of certain insurance policies, Section 8.1(f) hereof.

1.10 General Common Elements. "General Common Elements" shall mean and refer to all of the Common Elements except the Limited Common Elements.

1.11 Individual Air Space Unit. "Individual Air Space Unit" shall mean and refer to the air space contained within the enclosed rooms occupying part of a floor or floors in the Condominium Building and bounded by the interior surfaces of the perimeter walls (or the adjoining walls, if two or more Individual Air Space Units adjoin each other), unfinished interior surfaces of floors, unfinished interior surfaces of ceilings, windows and window frames, doors and door frames of a Condominium Building, and which is separately identified on the Condominium Map. Such Individual Air Space Unit is to be used for office and/or commercial purposes and shall have access to a public street, or the street owned by the Association.

1.12 Limited Common Elements. "Limited Common Elements" shall mean and refer to that portion of the Common Elements, designated in this Declaration, or on the Condominium Map, or by the Act, which are either limited to and reserved for the exclusive use of the Owner

or Owners of a particular Condominium Unit, or are limited to and reserved for the common use of the Owners of more than one, but fewer than all, of the Condominium Units. Without limiting the foregoing and in addition to the portions described in Sections 38-33.3-202(1)(b) and (d) of the Act, the Limited Common Elements shall include any deck, attic, basement, or crawl space which is accessible from an Individual Air Space Unit or which may be assigned by the Declarant or the Association for the exclusive use of the Owner of a particular Condominium Unit, and any utility, heating and hot water equipment contained within or providing exclusive service to any such Individual Air Space Unit intended for its exclusive use. Any such deck, attic, or crawl space or utility, heating or hot water equipment contained within or providing exclusive service to an Individual Air Space Unit, as aforesaid, shall, without further reference thereto, as identified on the Condominium Map, be used in connection with such Individual Air Space Unit to the exclusion of the use thereof by the other Owners except by invitation.

1.13 Owner. "Owner" shall mean and refer to any record owner (including Declarant and including a contract seller), whether one or more persons or entities, of a fee simple title interest to any Condominium Unit; but excluding, however, any such record owner having such an interest merely as security for the performance of an obligation (unless such person has acquired fee simple title interest therein pursuant to foreclosure or any proceedings in lieu thereof).

1.14 Project. "Project" shall mean and refer to the totality of all the Property, the Condominium Buildings, Condominium Units and Common Elements, in Phase I and Phase II.

1.15 Property. "Property" shall mean and refer to that certain property described as a portion of the Southwest $\frac{1}{4}$ of Section 23, Township 3 South, Range 69 West of the Sixth Principal Meridian, County of Jefferson, State of Colorado, as more specifically described on Exhibit A attached hereto.

ARTICLE II

DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP

2.1 Division Into Condominium Units. The Project is hereby divided into Thirty (30) separate Condominium Units as identified on the Condominium Map and on Exhibit B as Units 10, 20, 30, 40, 50, 60, 70 and 80 in the Garden Level; 100, 103, 104, 110, 111 and 112 on the First Floor; Units 200, 205, 210, 220, 250, 260, 270 and 290 on the Second Floor; and Units 300, 303, 306, 307, 308, 309 310 and 311 on the Third Floor.

2.2 Right to Combine Condominium Units. Declarant and all Owners hereby reserve the right to combine physically the area or space of one Condominium Unit which area or space of one or more adjoining (horizontally or vertically) Condominium Units; provided, however, that Declarant shall not exercise said right without obtaining any necessary governmental approvals and the written consent of any First Mortgagee having an interest in said Condominium Units. In the event of any such physical combining of Condominium Units to create a combined Condominium Unit, such combined Condominium Unit shall also include the combining of fixtures and improvements and of the undivided interests in Common Elements appurtenant to the Condominium Units so combined, and may also include certain portions of the corridors appurtenant to the exterior walls of the Condominium Units so combined. Declarant reserves the right to designate and convey to any purchaser of any such combined Condominium Unit, as additional Limited Common Elements appurtenant thereto, any walls,

floors, or other structural separations between the Condominium Units so combined, or any space which would be occupied by such structural separations but for the combination of such Condominium Units; provided, however, that such walls, floors, or other structural separations or such space shall automatically become General Common Elements if the combined Condominium Units become subject to separate ownership in the future.

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

2.4 **Non-Partitionability.** The Common Elements shall be owned in common by all of the owners and shall remain undivided. By the acceptance of its deed or other instrument of conveyance or assignment, each Owner specifically waives its right to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements. Furthermore, each Owner agrees that this Section 2.4 may be pleaded as a bar to the maintenance of such an action. Any violation of this Section shall entitle the Association to collect, jointly or severally, from the parties violating the same, the actual attorney's fees, costs, expenses and all damages which the Association incurs in connection therewith.

ARTICLE III

CONDOMINIUM MAP

3.1 **The Condominium Map.** The Condominium Map and amendments thereto, if any, covering the Property shall be recorded in the Office of the Clerk and Recorder of the County of Jefferson, Colorado, prior to conveyance of the first Condominium Unit shown on such Condominium Map.

3.2 **Content.** The Condominium Map shall depict and show at least the following: the legal description of the land and a survey thereof; the location of the Condominium Building in reference to the exterior boundaries of the land; the floor and elevation plans; the location of the Condominium Units, both horizontally (if applicable) and vertically; a designation of which Common Elements contained in the Condominium Building are Limited Common Elements; and the Condominium Unit designations. The Condominium Map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the Condominium Map substantially depicts the location and the horizontal and vertical measurements of the aforesaid information, and an affirmation that the Condominium Map was prepared subsequent to substantial completion of the improvements shown thereon. In interpreting the Condominium Map, the existing physical boundaries of each separate Condominium Unit, as constructed, shall be conclusively presumed to be its boundaries.

3.3 **Amendments.** Declarant hereby reserves unto itself the right, from time to time, without obtaining the consent or approval of any Owner or First Mortgagee, to amend the Condominium Map in order to conform such Condominium Map to the actual location of any improvement(s) constructed, installed or erected on the Property and to establish and/or designate any General Common Elements as Limited Common Elements.

ARTICLE IV

OWNER'S PROPERTY RIGHTS IN COMMON ELEMENTS

4.1 Rights of Owners; Easements of Enjoyment and Rights of Ingress and Egress. Every Owner, its employees, tenants, guests and licensees shall have a right and easement of enjoyment in and to the General Common Elements and those Limited Common Elements appurtenant to its Condominium Unit, plus a right and easement of ingress and egress over, across and upon the General Common Elements and those Limited Common Elements appurtenant to its Condominium Unit for the purpose of access to and from its Condominium Unit, parking areas, public ways, for both pedestrian and vehicular travel, which rights and easements shall be appurtenant to and pass automatically with the transfer of title to the Owner's Condominium Unit; provided, however, that such rights and easements shall be subject to the following:

(a) The terms, provisions, covenants, conditions, restrictions, easements, reservations, uses, limitations and obligations contained in this Declaration and the Condominium Map; and

(b) The right of the Association to suspend the voting rights of any Owner for any period during which any Association Assessment against such Owner or against such Owner's Condominium Unit remains unpaid, and, for any period not to exceed sixty (60) days, as a result of such Owner's infraction, or the infraction by any employee or tenant of such Owner or such Owner's tenants, guests or invitees, of any rule or regulation of the Association; and

(c) The right of the Association to adopt, from time to time, rules and regulations concerning the Common Elements and any facilities located thereon, as the Association may determine is necessary or prudent; and

(d) The right of the Association to grant permits, licenses and easements over the Common Elements for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the Project; and

(e) After conveyance by Declarant of the last Condominium Unit to the first Owner thereof (other than Declarant) or ten (10) years from the date of this Declaration is recorded, whichever occurs first, the right, but not the obligation, of the Association, from time to time, to hire an on-site manager; and

(f) The right of the Association to limit the number of guests or invitees of each Owner which may use any facilities contained in the Common Elements.

4.2 Limited Common Elements. Subject to the terms and provisions of this Declaration, every Owner shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to its Condominium Unit.

ARTICLE V

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

5.1 **Membership.** Every Owner of a Condominium Unit which is subject to assessment hereunder shall be a member of the Association and shall remain a member for the period of its ownership of a Condominium Unit; provided, however, that in no event shall the total number of Association votes which are cast with respect to such Condominium Unit exceed one (1). Membership in the Association shall be appurtenant to, and may not be separated from, ownership of a Condominium Unit.

5.2 **Classes of Voting Membership.** The Association shall have one class of voting membership. All Owners including the Declarant, shall be members of the Association, and shall be entitled to one vote for each Condominium Unit owned. When more than one Owner holds an interest in the same Condominium Unit, all such Owners shall be members and the vote for such Condominium Unit shall be cast as the Owners thereof agree, but in no event shall more than one vote per question be cast with respect to such Condominium Unit. If the Owners of such Condominium Unit do not agree as to the manner in which their vote should be cast when called upon to vote, then they shall be treated as having abstained. Fractional votes shall not be cast.

5.3 **Reservation.** Notwithstanding any provision to the contrary contained in this Declaration, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, Declarant hereby reserves unto itself the right to appoint the Board of Directors of the Association until sixty (60) days following the date upon which Declarant has conveyed seventy-five percent (75%) of the Condominium Units to other Owners or ten (10) years from the date this Declaration is recorded in the office of the Clerk and Recorder of the County of Jefferson, Colorado, whichever first occurs. Prior to such time, this Section 5.3 shall not be amended without Declarant's further written consent. The Declarant also reserves the right to have and maintain a sales office in one of the Buildings until all of the Condominium Units have been sold.

ARTICLE VI

THE ASSOCIATION

6.1 **Management and Maintenance Duties and Duty to Establish Reserve Account.** Subject to the rights of Owners as set forth in this Declaration, the Association shall:

(a) have all of the responsibility, powers, authority and duties permitted pursuant to the Act necessary and proper for the management, control, maintenance, repair, replacement and improvement of the Common Elements (including furnishings and equipment, if any, related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair, including without limitation, any utility, heating and plumbing appurtenances which are part of the central system of one of the Condominium Buildings; provided, however, that each Owner shall be responsible for exclusive maintenance and repair of all plumbing fixtures which are part of its Building, and not an integral part of the central system of the remainder of the Condominium together with all electrical outlets and switches, domestic hot water equipment, furnaces and appurtenances which service such Owner's Individual Air Space Unit. Each Owner shall also be responsible for keeping the Limited Common Elements, or portions thereof, designated for use solely in connection with its Condominium Unit, including without limitation any limited common element, if any, which is accessible from such Owner's Individual Air Space Unit in a good, clean, sanitary and attractive condition;

(b) maintain all walkways, driveways, parking areas, grass, trees, shrubbery, flowers and similar landscaping constituting part of the Common Elements.

The expenses, costs and fees of such management, operation, maintenance, repair, replacement and improvement by the Association, as provided in this section 6.1, shall be part of the annual and any special common expense assessment levied by the Association, and the prior approval of the Owners shall not be required in order for the Association to pay any such expenses, costs and fees, regardless of the amounts thereof.

6.2 Owner's Negligence: Prohibition of Certain Activities.

(a) Each Owner by acceptance of his deed or other instrument of conveyance or assignment, any employee, tenant, guest, invitee or licensee of Owner, by entry upon this Common Interest Community, agrees to comply strictly with the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association adopted pursuant thereto, as the same may be lawfully amended from time to time. Further, nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other imposed requirement of any governmental body having jurisdiction over the same. No damage to, or waste of, the Common Elements, or any part thereof, shall be committed by any Owner, or by any tenant, employee, guest, invitee or licensee of any Owner. The Association, or in a proper case, an aggrieved Owner, shall have the power to enforce the provisions of this Declaration and the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association pursuant thereto. The Association shall take such action as the Board deems necessary or desirable to cause such compliance by each Owner and his tenants, employees, guests, invitees and licensees. Without limiting the generality of the foregoing, the Association shall have the power to enforce the provisions of this Declaration and the Articles, Bylaws, Rules and Regulations, and the decisions and resolutions of the Association pursuant thereto, by any one or more of the following means:

- (i) by commencing and maintaining actions to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association, by permanent injunction or otherwise;
- (ii) by commencing and maintaining actions to recover damages for breach of any of the provisions of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association;
- (iii) by exclusion, after Notice and Hearing as provided in the Bylaws, of any Owner or his guest from use of any General Common Elements during and for up to sixty (60) days following any breach of this Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolution of the Association, by such Owner or his guest, unless the breach is a continuing breach in which case such suspension shall continue for so long as such breach constitutes;
- (iv) by levying and collecting from any Owner or its tenants, employees, guests, invitees or licensees after Notice and Hearing as provided in the Bylaws, reasonable and uniformly applied nondiscriminatory fines and penalties established in advance in the Bylaws and in the Rules and Regulations of the Association for breach of this

Declaration, the Articles, Bylaws, Rules and Regulations, or decisions and resolutions of the Association and its Board by such Owner of his guest. Owners shall have the power to enforce the provisions of this Declaration, the Articles, Bylaws, and Rules and Regulations against the Association.

(b) Each Owner shall indemnify and hold the Association and the other Owners harmless from and against all loss and damage resulting from any action or activity committed by it, its tenants, employees, guests, invitees or licensees, which is in violation of this Section.

(c) All attorneys' fees and other costs of enforcing this Declaration, the Articles, Bylaws, Rules and Regulations, decisions and resolutions of the Association, and the foregoing indemnification incurred by the Association, or in a proper case by an aggrieved Owner, shall be assessed against the Owner found to be in violation and such assessment shall become a lien against such Owner's Condominium Unit and shall be enforced and collected in the same manner as all other assessments as provided herein.

(d) The conveyance or encumbrance of a Condominium Unit shall be deemed to be made subject to all of the provisions of this Declaration, the Articles, Bylaws, and Rules and Regulations, and shall be binding upon each grantee or mortgagee without the necessity or inclusion of such express provision in the instrument of conveyance or encumbrance.

(e) A Condominium Unit may not be conveyed pursuant to a time-sharing arrangement described in Sections 38-33-110 to 113, Colorado Revised Statutes.

(f) A Condominium Unit may not be leased or rented for a term of less than ninety (90) days. All leases and rental agreements shall be in writing and subject to the reasonable requirements of the Association.

(g) The Association may rent to, lease to or authorize use by one or more Unit Owners, as it deems appropriate, part or all of any parking area which has not been conveyed to an Owner, as identified on the Condominium Map as General Common Elements.

6.3 Management Agreements and Other Contracts.

(a) Any agreement for professional management of the Association's business or any contract providing for the services of the Declarant shall have a maximum term of three (3) years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon thirty (30) days prior written notice.

(b) Any contracts or leases entered into by the Association (except contracts or agreements governed by Sub-section (a) of this Section 6.3 and any other contracts, licenses and agreements governed by Section 6.7 hereof) shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon ninety (90) days prior written notice.

6.4 Acquiring and Disposing of Personal Property. The Association may acquire, own and hold for the use and benefit of all Owners, tangible and intangible personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be deemed to be owned by the Owners in the same undivided proportion as their respective

undivided interests in the Common Elements. Such beneficial interest of an Owner shall not be transferable except with the transfer of that Owner's Condominium Unit. Transfer of a Condominium Unit, including transfer pursuant to foreclosure, shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property without any reference thereto. Each Owner may use such personal property in accordance with the purposes for which it is intended, provided that such use shall not hinder or encroach upon the lawful rights of other Owners.

6.5 Promulgation of Rules and Regulations. The Board of Directors of the Association may promulgate and enforce reasonable rules and regulations governing the use of the Condominium Units and the Common Elements, including, without limitation, enforcement of the same by levying and collecting fines for the violation thereof, which rules and regulations shall be consistent with the rights and duties established in this Declaration. A list of the initial rules and regulations governing use of the Condominium Units and the Common Elements shall be prepared by the Board of Directors of the Association and made available to each Owner. These Rules and Regulations may be revised from time to time by the Board of Directors and shall be effective upon mailing to all Unit Owners.

6.6 New Additions to Common Elements. Subject to the other provisions of this Declaration, the Association shall have the right to construct, purchase or otherwise acquire new property or improvements to the Property which will constitute new additions to the Common Elements. Ownership of, and the common expenses of any such additions to the Common Elements, shall be apportioned among all Condominium Units in proportion to the respective undivided interest in the Common Elements appurtenant thereto, as shown on Exhibit B attached hereto. The construction, purchase or other acquisition of new additions to the Common Elements shall not affect an Owner by way of modification of its voting power in the Association. The Declarant anticipates the construction of three additional buildings on adjacent real property to be added to the Condominium, in which event the percentage interest of Unit A will be revised.

6.7 Contracts, Licenses and Agreements. The Association, through its Board of Directors, shall have the right to enter into, make, perform or enforce contracts, leases, licenses, agreements, easements and/or rights-of-way, for the use by Owners, other persons, their employees, tenants, guests, licensees and invitees, of real property for pedestrian or vehicle access, ingress and egress to and from the Project, or any portion thereof, for vehicular parking, for on-site management or for recreational use, including but not limited to, contracts, licenses, leases or other agreements for the provision of cable or satellite television service to the Property, or any portion thereof, so long as such contracts, licenses, or agreements do not exceed three (3) years in duration from the commencement of such satellite or cable television service. Any of such contracts, leases, licenses, agreements, rights-of-way or easements shall be upon such terms and conditions as agreed to by the Board of Directors of the Association, which may include provisions by which the Association covenants and agrees that it shall pay part or all of the costs and expenses of: maintaining such real property, and the improvements thereto and thereon, providing such cable or satellite television service, or other amounts which the Board determines are necessary to secure such contracts, licenses and agreements, and any such costs and expenses, licenses and agreements, and any such costs and expenses shall be treated by the Association as common expenses pursuant to Article VII hereof.

ARTICLE VII

ASSESSMENTS

7.1 Personal Obligation for Assessments. All Owners, including Declarant, and including any purchaser or its assigns under an executory land sales contract wherein the Administrator of Veterans Affairs is identified as the seller, covenant and agree and shall be personally obligated to pay to the Association:

- (a) annual common expense assessments imposed by the Association to meet the common expense and reserve requirements of the Association;
- (b) special assessments, pursuant to Section 7.6 of this Declaration; and
- (c) other charges, fees and assessments, including without limitation default assessments, as provided in this Declaration.

All assessments for each Condominium Unit shall be calculated by multiplying the total annual amount of the assessment due, pursuant to Section 7.2 and Section 7.6, as either is applicable, based upon the ratio of the assessment as set forth on Exhibit B attached hereto. The ratio is based on the square footage of each unit. All Owners of each Condominium Unit shall be jointly and severally liable to the Association for the payment of all assessments, fees and charges attributable to their Condominium Unit. The personal obligation for delinquent assessments shall not pass to an Owner's successors in title or interest unless expressly assumed by them. No Owner may waive or otherwise escape personal liability for the payment of the assessments, charges and fees provided for herein by non-use of the Common Elements or any facilities contained therein or by abandonment or leasing of its Condominium Unit. In addition to the foregoing assessments, charges and fees, each Owner shall have the obligation to pay real property *ad valorem* taxes and special assessments imposed by Colorado governmental subdivisions against its Condominium Unit, as well as all charges for separately metered utilities servicing its Condominium Unit. The charges for utilities which are not separately metered shall be included in the annual common expense assessments levied by the Association.

7.2 Amount of Common Expense Assessments.

(a) The annual common expense assessment for each Condominium Unit shall be determined by the Association, and shall be allocated among the Condominium Units based upon the percentages set forth on Exhibit B attached hereto. The amount of the monthly installment for each Unit shall be divided by the number of months in the first annual common expense assessment year.

(b) Commencing with the second assessment year and thereafter, the maximum annual common expense assessment shall be based upon the Association's advance budget of all cash requirements which may be required by the Association to provide for the Association's advance budget of all cash requirements which may be needed by the Association to provide for the payment of all estimated expenses related to or connected with the administration, maintenance, ownership, repair, operation, addition, alteration and improvement of the Property, the Common Elements, and personal property owned by the Association, except as otherwise provided in this Declaration. The maximum annual common expense assessment against each Condominium Unit shall be calculated by multiplying the total

amount of the aforesaid Association budget times the undivided interest in the Common Elements appurtenant to such Condominium Unit. The amount of said advance budget may include, but shall not be limited to: expenses of management, premiums for insurance; maintenance and repair of the exterior of the Condominium Building; landscaping and care of common grounds; common lighting, heating and electrical; maintenance, repairs and renovations of Common Elements; trash collection; wages; common water and sewer charges; taxes; legal and accounting fees; management fees; costs, expenses and liabilities incurred by the Association's Board of Directors on behalf of the Owners under or by reason of this Declaration, the Articles of Incorporation or Bylaws of the Association; the creation of reasonable reserves, working capital and/or sinking funds; and any and all other costs and expenses relating to the Common Elements and/or the Project.

(c) The Association may at any time and from time to time, during any annual common expense assessment period, levy an actual common expense assessment in an amount less than the maximum for that assessment period; provided, however, that written notice of the Budget and any change in the amount of the actual common expense assessment (whether to an amount less than or equal to the maximum) shall be sent to every Owner subject thereto at least thirty (30) days in advance of the effective date of such change. Such notice shall set a date and time for a meeting of the Owners not less than 14 days nor more than 60 days after mailing or delivery of the notice. Unless at such meeting a majority of the Unit Owners reject the Budget and the proposed assessment (whether or not a quorum is present at the meeting), the Budget and the assessments as proposed in the notice are ratified. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners must be continued until such time as the Unit Owners ratify a subsequent budget.

7.3 Reserves. The Association shall establish an adequate reserve fund for the maintenance, repair and replacement of those Common Elements that must be periodically maintained, repaired or replaced. Such reserve fund shall be funded through the monthly payments of the annual common expense assessments.

7.4 Date of Commencement of Annual Common Assessments. The initial annual common expense assessment shall commence on the date of conveyance by Declarant of the first Condominium Unit, and the second and each subsequent annual common expense assessment period shall correspond with the fiscal year of the Association. The annual common expense assessments shall be made due and payable in twelve (12) consecutive monthly installments per annum on such dates as determined by the Board, provided that the first annual common expense assessment shall be adjusted according to the number of months in the first annual common expense assessment year. Any Owner purchasing a Condominium Unit between installment due dates shall pay a pro rata share of the last installment due.

7.5 Rate of Assessment. Both annual common expense and special assessments shall be set against all Condominium Units sufficient to meet the Association's advance budget, in accordance with the principles set forth in Section 7.1 hereof.

7.6 Special Assessments. 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 in Section 7.1 hereof 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. Until such time as Declarant relinquishes control, special assessments for capital improvements will also require the prior written consent of the Declarant and any Agencies which have insured or purchased a First Mortgage if such approval is requested by the Agencies. "Capital Improvements" as used in the preceding sentence shall mean the construction, erection or installation of substantial structure(s) or other substantial improvements on the Property, but shall not include the construction, reconstruction, erection, installation, maintenance, repair or replacement of Common Elements presently located on the Property or which may hereafter be constructed, erected or installed on the Property by Declarant in its development of the Project. 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.

7.7 Notice of Quorum for Action Authorized Under Section 7.6. Written notice of any meeting called for the purpose of voting on a special assessment pursuant to Section 7.6 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of the membership votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

7.8 Lien for Assessments. The assessments, charges and fees, including without limitation, any default assessment, as well as any monthly or other installments thereof, provided for in this Declaration (together with any and all interest, costs, late charges, expenses and reasonable attorney's fees which may arise under the provisions of this Declaration), shall be burdens running with, and a perpetual lien in favor of the Association upon the specific Condominium Unit to which such assessments apply. To evidence such lien upon a Condominium Unit, the Association may prepare a written lien notice setting forth a description of the Condominium Unit, the amount of assessments thereon which are unpaid as of the date of such lien notice, the name of the Owner or Owners thereof and any and all other information that the Association may deem proper. The lien notice shall be signed by a member of the Board of Directors of the Association, an officer of the Association, or any agent authorized by the Board of Directors, and shall be recorded in the office of the Clerk and Recorder for the County of Jefferson, Colorado. The recording of any written lien notice shall not constitute a condition precedent nor delay the attachment of the lien, but such lien is a perpetual lien upon each Condominium Unit and attaches without notice at the beginning of the first day of any period for which any assessment is levied or assessed.

7.9 Effect of Non-Payment of Assessments. Any assessment, charge or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within ten (10) days after the due date thereof shall bear interest at the rate of eighteen percent (18%) per annum from the due date, or at such lesser rate as may be set by the Board of Directors. The Board of Directors of the Association may assess a monthly late charge thereon. Further, the Association may bring an action at law or in equity, or both, against any Owner

personally obligated to pay such overdue assessments, charges or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments, charges or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor. In the event that any such assessment, charge or fee, or monthly or other installment thereof, is not fully paid when due and the Association shall commence such an action (or shall counterclaim or crossclaim for such relief in any action) against any Owner personally obligated to pay the same, or shall proceed to foreclose its lien against the particular Condominium Unit, then all unpaid assessments, charges and fees, and all unpaid monthly or other installments thereof, any and all late charges and accrued interest under this Section 7.9, the Association's costs, expenses and reasonable attorney fees incurred for any such action and/or foreclosure proceedings, shall be taxed by the court as a part of the costs of any such action or foreclosure proceeding and shall be recoverable by the Association from any Owner personally obligated to pay the same and from the proceeds of the foreclosure sale of such Owner's Condominium Unit. Foreclosure or attempted foreclosure by the Association of its lien shall not be deemed to estop or otherwise preclude the Association from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessments, charges or fees, or monthly or other installments thereof, which are not fully paid when due. The Association shall have the power and right to bid on or purchase any Condominium Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the Association votes appurtenant to ownership thereof, convey or otherwise deal with the same.

7.10 Successor's Liability for Assessments. Notwithstanding any terms and provisions of this Declaration to the contrary, the sale or transfer of any Condominium Unit shall not affect a lien for assessments, charges or fees levied hereunder except that in the case of a sale or transfer of a Condominium Unit pursuant to foreclosure of a First Mortgage or any proceeding in lieu thereof, including deed in lieu of foreclosure, the priority of the lien of the Association for assessments over the lien of the First Mortgage shall be determined in accordance with the provisions of the Colorado Common Interest Ownership Act, as amended from time to time, including amendments enacted after the date hereof.

7.11 Subordination of Association's Lien for Assessments. The Association's perpetual lien on a Condominium Unit for assessments, charges and fees, provided for herein, shall be superior to any homestead exemption as is now or may hereafter be provided by state or federal law. The acceptance of a deed to a Condominium Unit subject to this Declaration shall constitute a waiver of the homestead exemption against all such assessments, charges or fees. Said assessment lien shall also be superior to all other liens and encumbrances except:

(a) real property ad valorem tax and special assessment liens duly imposed by a Colorado governmental subdivision; and

(b) the lien of any First Mortgage encumbering any Condominium Unit, and recorded in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, prior to the date such assessment became due, including any and all advances made by a First Mortgagee and notwithstanding that any of such advances may have been made subsequent to the date of the attachment of the Association's lien. The Colorado Common Interest Ownership Act provides that the Association's lien of up to six month's of condominium assessments shall be superior to the lien of a First Mortgage.

7.12 Certificate of Status of Assessments. Upon receipt of a written request from an

Owner, prospective purchaser, First Mortgagee, prospective First Mortgagee, junior mortgagee, or prospective junior mortgagee of the subject Condominium Unit, and upon payment of a reasonable fee, but in no event less than Twenty-five Dollars (\$25.00), the Association, through its Board of Directors or by its managing agent, shall issue a written statement setting forth the amount of any unpaid Association assessments, charges, fees, or portions thereof, if any, with respect to the subject Condominium Unit, the amount of the current monthly common expense assessment and the date that such assessment becomes due, the due date of any special assessment then existing against the Condominium Unit, the amount of the current monthly expense assessment and the date that such assessment becomes due, the due date of any special assessment then existing against the Condominium Unit, the amount of any credit for any advance payments of assessments, for prepaid items (such as insurance premiums), and for funds remaining in the working capital fund to which the Owner would be entitled from its transferee upon the sale of the subject Condominium Unit, and any other information deemed appropriate by the Association. Said written statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith.

7.13 Contributions to the Working Capital. The Association or Declarant shall require the first and each subsequent Owner of each Condominium Unit to make at the closing thereof a non-refundable payment to capital in an amount equal to two (2) times the monthly installment of the maximum annual common expense assessment effective at the time of conveyance of the Condominium Unit, which sum shall be held, without interest being paid to the Unit owners, by the Association in a segregated account for the use and benefit of the Association, including without limitation, to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire additional equipment or services deemed necessary or desirable by the Association's Board of Directors. Such contribution to capital shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of his Condominium Unit, an Owner shall be entitled to a credit from his transferee for the aforesaid payment to working capital, such credit to be in an amount equal to the product of the first private Owner's payment into the working capital fund multiplied by a fraction, the numerator of which is equal to the amount in the working capital fund as of the Association's last financial statement (or, if readily available, such amount as of a more current date) and the denominator of which is equal to the total amount which would have been in the working capital fund if there had been no expenditures as of such date. While Declarant is in control, Declarant shall not use any of the Working Funds to defray expenses, reserve contributions, or construction costs or to make up any budget deficits.

7.14 Mortgagees May Pay Assessments and Cure Defaults. In the event any assessment, or monthly or other installment thereof, on any Condominium Unit shall not be paid by the Owner thereof within thirty (30) days after the same is due, or if a default by any Owner of any provision of this Condominium Declaration, the Articles of Incorporation or Bylaws of the Association shall not be cured within thirty (30) days after written notice thereof is given to such Owner, then the Owner or holder of any mortgage or deed of trust encumbering such Condominium Unit may (but shall not be required to) pay such assessment or monthly or other installment thereof, together with any other amounts secured by the Association's lien created by this Article VII, and may (but shall not be required to) cure any such default.

7.15 Liens. In accordance with the requirements of the Colorado Common Interest Ownership Act, as amended, Declarant hereby states that it is possible that additional liens other than mechanic's liens, assessment liens or tax liens may be obtained against the Common Elements.

ARTICLE VIII

INSURANCE

8.1 Duty to Obtain and Maintain Insurance. The Association shall obtain and maintain at all times, to the extent that the Association determines that obtaining such coverage is prudent based on the relative cost and risk coverage provided by such insurance, the following types of insurance:

(a) A multi-peril policy with extended coverage and standard all-risk endorsements, including coverage for fire, vandalism and malicious mischief, as well as such other risks as shall customarily be covered with respect to condominium projects similar in construction, location and use, insuring the Project and all Common Elements, but excluding coverage on furniture, furnishings or other personal property supplied or installed by an Owner; said policy shall provide coverage in an amount equal to one hundred percent (100%) of full replacement cost without deduction for depreciation. All policies shall contain a standard noncontributory mortgagee clause in favor of each First Mortgagee of a Condominium Unit, which shall provide that any loss thereunder shall be payable to the Association for the use and benefit of First Mortgagees as their interests may appear.

(b) If the Project is located in an area identified by the Federal Emergency Management Agency as having special flood hazards, and flood insurance coverage has been made available under the National Flood Insurance Program (NFIP), a "master" or "blanket" policy of flood insurance on the Condominium Building and any other property covered by the required form of policy (herein "insurable property") in an amount deemed appropriate, but not less than the lesser of:

- (i) the maximum coverage available under the NFIP for the Condominium Building and other insurable property within any portion of the Project located within a designated flood hazard area; or
- (ii) one hundred percent (100%) of current "replacement cost" of the Condominium Building and other insurable property within any portion of the Project located within a designated flood hazard area.

Any policy of insurance carried by the Association pursuant to this Section 8.1(b) shall be in a form which meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administrator.

(c) Public liability and property damage insurance providing coverage in an amount not less than Two Million Dollars (\$2,000,000.00) per occurrence, covering claims for bodily injury, personal injury and 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, as well as such other risks as shall customarily be covered with respect to condominium projects similar in construction, location and use.

(d) Workmen's Compensation, employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms as may now or hereafter be required by law.

(e) A policy providing adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the part of officers, directors, trustees and employees of the Association and all others who handle or are responsible for handling funds of the Association, which fidelity coverage or fidelity bonds shall be in such amounts as set forth in the Bylaws. Such fidelity coverage or bonds shall name the Association as an obligee and shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "employee" or similar expression.

(f) The Association may obtain insurance against such other risks of a similar or dissimilar nature as it shall deem appropriate with respect to the Project, to the extent that such coverage is reasonably available, including but not limited to personal liability insurance to protect directors and officers on behalf of the Association and, if appropriate, coverage for loss or damage resulting from steam boiler equipment or air conditioning equipment accidents in an amount not less than One Hundred Thousand Dollars (\$100,000.00) per accident per location or such greater amount as may be deemed prudent by the Association based on the nature of the Property. All policies of insurance carried by the Association shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a member of the Association, and shall provide that the policies may not be cancelled or substantially modified without at least thirty (30) days' prior written notice to the insured. Duplicate originals of all policies and renewals thereof, together with proof of payment of premiums, shall be delivered to any First Mortgagee of a Condominium Unit upon written request. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact for all of the Owners, which policy or policies shall identify the interest of each Owner (by name and Condominium Unit number designation) and First Mortgagee. Further, the Association may require the insurance company or companies providing the insurance coverages described herein to provide each Owner and First Mortgagee with a Certificate of Insurance in regard to such Owner's Condominium Unit.

8.2 Insurance Obtained by Owners. Insurance coverage on furnishings, including carpet, draperies, office equipment, office furniture, warehouse equipment and fixtures, and other items of personal property belonging to an Owner, and public liability coverage within each Condominium Unit, shall be the sole and direct responsibility of the Owner(s) thereof, and the Association, its Board of Directors; and/or the managing agent of the Association shall have no responsibility therefor. Owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that no liability of the carriers issuing insurance obtained by the Association shall be affected or diminished by reason of any such additional insurance carried by any Owner.

8.3 Annual Review of Insurance Policies. All insurance policies carried by the Association shall be reviewed at least annually by the Board of Directors of the Association to ascertain that the coverage provided by such policies adequately covers those risks insured by the Association.

8.4 Prohibition of Increase in Insurable Risks and Certain Activities. Nothing shall be done or kept in any Condominium Unit or in or on the Common Elements, or any part thereof, which would result in the cancellation of any insurance on the Project, or any part thereof, or increase in the rate of any insurance on the Project, or any part thereof, over what the prior written approval of the Association, but for such activity, would pay, without the prior written approval of the Association. Each Owner shall indemnify and hold the Association and the other Owners harmless from and against all loss and damage resulting from any action or

activity committed by it, its tenants, employees, guests, invitees or licensees, which is in violation of this Section 8.4. At its own initiative or upon the written request of any Owner (and, if the Association determines that further action by it is proper), then after notice and a hearing by the Association, it shall enforce the foregoing indemnity in the same manner as provided in Section 10.2 hereof with respect to an Owner's indemnity against mechanic's liens.

ARTICLE IX

CONVEYANCES AND TAXATION OF CONDOMINIUM UNITS

9.1 Contracts Entered Into Prior to Recording of Condominium Map and Declaration.

A contract or other agreement for the sale of a Condominium Unit entered into prior to the filing for record of the Condominium Map and/or this Declaration in the office of the Clerk and Recorder of the County of Jefferson, Colorado, may legally describe such Condominium Unit in the manner set forth in Section 9.2 hereof and may indicate that the Condominium Map and/or this Declaration are to be recorded. Upon recordation of the Condominium Map and this Declaration in the County of Jefferson, Colorado, such description shall be conclusively presumed to describe the corresponding Condominium Unit shown on the Condominium Map and such Condominium Unit shall be subject in all respects to this Declaration.

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

Condominium Unit _____, WADSWORTH 4045 CONDOMINIUMS, according to the Condominium Map, recorded on _____, 2001 in Book _____, Page _____, Reception No. _____ in the records of the office of the Clerk and Recorder of the County of Jefferson, Colorado, and as defined and described in the Condominium Declarations for WADSWORTH 4045 CONDOMINIUMS, recorded on _____, 2001, in Book _____, at Page _____, Reception No. _____ in said records.

9.3 Legal Effect of Description. Every contract, deed, lease, mortgage, deed of trust, will and every other instrument affecting title to a Condominium Unit which legally describes said Condominium Unit in the manner set forth in Section 9.2 hereof shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect not only the Condominium Unit, but also the undivided interest in the Common Elements appurtenant thereto and all other appurtenant properties and property rights, and incorporate all of the rights, limitations and burdens incident to ownership of a Condominium Unit as described in this Declaration and the Condominium Map. Each such description shall be construed to include a nonexclusive easement for ingress and egress to and from each Condominium Unit and the use of all the General Common Elements as well as all of the Limited Common Elements appurtenant to said Condominium Unit, all as more fully provided in this Declaration.

9.4 Taxation. Each Condominium Unit shall be assessed separately for all taxes, assessments and other charges of the State of Colorado, any political subdivision thereof, any special improvement district, and any other taxing or assessing authority, in accordance with the Common Interest Ownership Act of the State of Colorado, as amended. For the purpose of such assessments, the valuation of the Common Elements shall be apportioned among the

Condominium Units in proportion to the undivided interest in Common Elements appurtenant thereto. The Association shall furnish to the Tax Assessor of Jefferson County, Colorado, and to all other appropriate persons and authorities, all necessary information with respect to such apportionment. No forfeiture or sale of any Condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium Unit.

ARTICLE X

MECHANIC'S AND OTHER LIENS

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

10.2 Enforcement by the Association. At its own initiative or upon the written request of any Owner, if the Association determines that further action by it is proper and the mechanic's lien(s) or other liens are not disputed claims with a reasonable basis for such dispute, the Association, after notice and hearing, shall enforce the indemnity provided for in Section 10.1 hereof by collecting from the Owner of the Condominium Unit on which the labor was performed or materials or utilities furnished, the amount necessary to discharge any such mechanic's lien or pay such utility charges, including all costs and reasonable attorneys' fees incidental thereto, and obtain a discharge of such lien. In the event that the Owner of the Condominium Unit on which the labor was performed or materials or utilities furnished refuses or fails to so indemnify within seven (7) days after the Association shall have given notice to such Owner of the total amount, or any portions thereof, from time to time, of the amount to be indemnified, then the failure to so indemnify shall be a default by such Owner under the provisions of this Section 10.2 and such amount to be indemnified shall automatically become a lien against such Condominium Unit, and the Association shall proceed to foreclose such lien in accordance with the procedures set forth in Section 7.9 hereof.

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

ARTICLE XI

RESTRICTIONS ON USE, ALIENATION AND OCCUPANCY

Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

11.1 Non-Residential Use. The Common Interest Community is hereby restricted to non-residential use and other permitted uses as allowed by Jefferson County, and such uses as are related to the convenience and enjoyment of such non-residential use. No structures of a temporary character, camper shells, inoperative motor vehicles, tent, shack, garage, barn, or other out building shall be used or permitted to be kept or stored on any portion of the Common Interest Community at any time either temporarily or permanently. Notwithstanding the foregoing, any managing agent hired by the Association to manage the Project may conduct such management activities from within a Condominium Unit.

11.2 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept or stored on any part of the Common Elements without the prior written approval of the Association. Nothing shall be altered on, constructed in or removed from the Common Elements without the prior written approval of the Board of Directors of the Association.

11.3 Exterior Changes. Except for those improvements erected or installed by Declarant in its construction and completion of the Project, no exterior additions to, alterations or decoration of the Condominium Building, including but not limited to any structural alterations to any Condominium Unit or Common Element, nor any changes in fences, hedges, walls or other structures, nor installation of window mounted air conditioning units or any exterior television, radio or other communication antennas of any type, shall be commenced, erected, placed or maintained, without the prior written approval of the Board of Directors of the Association. Subject to the prior written approval of the Board of Directors of the Association approving the proposed materials to be used, any Owner shall have the right to affix tinting materials on the interior surface of windows located in his Condominium Unit.

11.4 Leases. The term "lease", as used herein, shall include any agreement for the leasing or rental of a Condominium Unit and shall specifically include, without limitation, a month-to-month rental. The Owner of a Condominium Unit shall have the right to lease its Condominium Unit under the following conditions:

(a) All leases shall be in writing;

(b) All leases shall provide that the terms of the lease and lessee's occupancy of the Condominium Common Interest Community shall be subject in all respects to the provisions of this Declaration and to the provisions of the Articles of Incorporation, Bylaws and Rules and Regulations. Any failure by the lessee to comply therewith shall be a default under the lease; and

(c) No lease shall be for a term of less than ninety days.

11.5 Restrictions on Alienation. A Unit may not be conveyed pursuant to a

time-sharing arrangement described in Sections 38-33-110 to 113, Colorado Revised Statutes.

11.6 Nuisances. No nuisance shall be allowed on the Project, nor any use or practice which is the source of annoyance to residents or which interferes with the peaceful enjoyment or possession and proper use of the Project by its residents. As used herein, the term "nuisance" shall not include any activities of Declarant in regard to the development and construction of the Project. All parts of the Project shall be kept in a clean and sanitary condition, and no rubbish, refuse or garbage shall be allowed to accumulate, nor any fire hazard to exist. Further, no immoral, improper, offensive or unlawful use shall be permitted or made of the Project or any part thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Project, or any portion thereof, shall be observed.

11.7 Prohibition of Improvements on Parking Areas. No Owner nor their successors or assigns shall build or maintain, or permit to be built or maintained, any structure on the land delineated on any portion of the Property which is shown as parking area on the Map. These restrictions shall not apply to light towers, appurtenant electrical equipment, signs relating to business conducted on the Property, or traffic or directional signs, fences, gates, or other similar structures which at the time of the erection thereof are usual in connection with the operation of office warehouse parking lots, so long as this does not reduce the not reduce the number of or limit access to any parking spaces.

11.8 Parking easement. Declarant and each Owner and all tenants, subtenants and licensees of Units and their business invitees, licensees, and employees shall have the right to use, free of charge, to use the parking areas as designated on the Map including entrances, exits, driveways, and walks, in common with all tenants and licensees of Units and their business invitees, licensees, and employees. Parking spaces immediately adjacent to any Unit should be available for the use of such Unit. The Association shall have the right to make reasonable rules and regulations regarding all parking areas.

11.9 Rights-of-way. Developer and Owners and all tenants and licensees of Units and their business invitees, subtenants and employees shall have a right-of-way at all times, for motor vehicles and pedestrians, over the portions of the Property designated on the Map and any recorded subdivision plats as driveways or drives. Such rights-of-way shall provide reasonable access to adjacent public streets so as to permit office warehouse use and development of the Property. The location of such rights-of-way may be varied from time to time by the Developer, so long as it (i) owns a portion of the Property and (ii) provides reasonable vehicular (including semi-tractor and trailer) access to the parking area, and so long as the requirements of the Subdivision Plat as approved by Jefferson County and/or the City of Wheat Ridge shall be complied with.

11.10 Premises Sign. The sign on the Property shall be maintained and replaced from time to time, as a common expense of all of the Units. Each Unit Owner shall have the right to the use of any such common sign, and the Association shall have the right of access to such sign. Any and all electricity, maintenance and/or replacement cost shall be a common expense of all Unit Owners. The Association shall make a reasonable determination of the monthly cost of electricity for the Premises sign, and this amount shall be a common expense of the Property.

11.11 Prohibited commercial activities. No Owner shall operate or permit the operation upon the Property of any enterprise carrying on any of the below-listed or similar businesses; nor permit the sale upon the Property of the below-listed products:

- a. Any bar, tavern, or cocktail lounge (except that a cocktail lounge may be permitted in a restaurant);
- b. Any adult book or adult video store (i.e., a store which primarily sells books, magazines, videos or other materials or rents videos or other materials which cannot legally be sold or rented to persons under the age of 18);
- c. Any use which emits an obvious odor, noise, or sound which can be heard or smelled outside any building in the Property; provided, however, that this provision shall not: (i) prohibit an internal paging system; (ii) prohibit a two-way speaker system installed in a Drive Through Facility for the purpose of placing and receiving orders or otherwise conducting business transactions; and (iii) apply to properly maintained and serviced garbage receptacles.
- d. Any mobile home park, trailer court, labor camp, junkyard, or stockyard (except that this provision shall not prohibit the temporary use of construction trailers during period of construction, reconstruction, or maintenance);
- e. Any dumping, disposing, incineration, or reduction of garbage (exclusive of trash compactors, shredders, balers or receptacles located in or at the rear of any building and used only for the management of trash generated by the Occupant of such building);
- f. Any fire sale, bankruptcy sale (unless pursuant to a court order), or auction house operation;
- g. Any central laundry, dry cleaning plant, or laundromat facility that launders, dry cleans or presses clothing or linens for a retail service location other than the building in which such facility is located or for delivery to commercial customer locations;
- h. Any living quarters, sleeping apartments, or lodging rooms;
- i. Any veterinary hospital or animal breeding and raising facilities (this prohibition does not include pet shops); and
- j. Any mortuary.

ARTICLE XII

EASEMENTS

12.1 **Recorded Easements.** In addition to all easements and rights-of-way of record at or before the recording of this Declaration, the Property and all portions thereof, shall be subject to the easements as shown on any recorded plat of the Property, or any portion thereof, and as shown on the recorded Condominium Map.

12.2 **Encroachments.** In the event that any portion of the Common Elements encroaches upon any Individual Air Space Unit(s) or in the event that any portion of an

Individual Air Space Unit encroaches upon any other Individual Air Space Unit(s) or upon any portion of the Common Elements, or in the event any encroachment shall occur in the future as a result of: (i) settling of the Condominium Building, or (ii) alteration or repair to the Common Elements, or (iii) repair or restoration of any Condominium Building and/or one or more Condominium Unit(s) after damage by fire or other casualty, or condemnation or eminent domain proceedings, then, in any of said events, a valid easement shall exist for the encroachment and for the maintenance of the same so long as the encroachment exists. In the event that any one or more of the Condominium Units, any Condominium Building or other improvements comprising part of the Common Elements, are partially or totally destroyed and are subsequently rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding or reconstruction, any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment shall then exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Condominium Units for purposes of marketability of title or other purposes. In interpreting any and all provisions of this Declaration, subsequent deeds, mortgages, deeds of trust or other security instruments relating to Condominium Units, the actual location of an Individual Air Space Unit shall be deemed conclusively to be the property intended to be conveyed, reserved or encumbered, notwithstanding any minor deviations, either horizontally, vertically or laterally, from the location of such Individual Air Space Unit as indicated on the Condominium Map.

12.3 Utility Easements. There is hereby created a general easement upon, across, over, in and under all of the Property for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electrical and satellite or cable television. By virtue of this easement, it shall be expressly permissible and proper for the companies providing electrical, telephone and television services to erect and maintain the necessary poles and other necessary telephone and television wires, cables, circuits, conduits, equipment and apparatus on, above, across and under the roofs and exterior walls of the Condominium Building. Notwithstanding anything to the contrary contained in this Section 12.3, no water, sewer, gas, telephone, electrical, satellite television or cable television lines systems or facilities may be installed or relocated on the Property except as approved by the Association. Should any utility company furnishing a service covered by the general easement herein created request a specific easement by separate recordable document, Declarant shall have, and hereby reserves, the right and authority to grant such easement upon, across, over or under any part or all of the Property without conflicting with the terms hereof; provided, however, that such power shall cease upon conveyance of the last Condominium Unit by Declarant to the first Owner thereof (other than Declarant). The easement provided for in this Section 12.3 shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Property. Public Service Company retains two (2) keys to each Building in the Project for the purpose of entering in an emergency and for reading of meters and is granted an easement for these purposes.

12.4 Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon all streets and upon the Common Elements in the proper performance of their duties.

12.5 Maintenance Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under the Common Elements and right to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including the right to construct and maintain on the Common Elements

maintenance and storage facilities for use by the Association.

12.6 Drainage Easement. An easement is hereby granted to the Association, its officers, agents, employees and assigns upon, across, over, in and under any portion of the Property for the purpose of changing, correcting or otherwise modifying the grade or drainage channels of the Property so as to improve the drainage of water on the Property.

12.7 Easements of Access for Repair, Maintenance and Emergencies. Some of the Common Elements are or may be located within Individual Air Space Units or may be conveniently accessible only through Individual Air Space Units. The Owners of other Individual Air Space Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Individual Air Space Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair, removal or replacement of any of the Common Elements located therein or accessible therefrom, or for making emergency repairs therein, necessary to prevent damage to the Common Elements or to any Individual Air Space Unit. The Association shall also have such right, independent of any agency relationship. Subject to the provisions of Section 6.2 hereof, damage to the interior of any part of an Individual Air Space Unit resulting from the maintenance, repair, emergency repair, removal or replacement of any of the Common Elements or as a result of emergency repairs within any Individual Air Space Unit at the instance of the Association or any Owner, shall be an expense of all the Owners. Non-emergency repairs shall be made only during regular business hours on business days after twenty-four (24) hours notice to the occupants of the Individual Air Space Unit wherein such repairs are to be made, except where the occupants have no objections to earlier entry for repairs. Emergency repairs may be made at any time, and in emergency situations the occupants of the affected Individual Air Space Unit be warned of impending entry as early as is reasonably possible.

12.8 Easements Deemed Created. All conveyances of Condominium Units hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Article XII, even though no specific reference to such easement or to this Article XII appears in the instrument of such conveyance.

ARTICLE XIII

DAMAGE, DESTRUCTION, OBSOLESCENCE OR CONDEMNATION

13.1 Association as Attorney-in-Fact. This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the Property in the event of its destruction, damage, obsolescence or condemnation, including the repair, replacement and improvement of any Condominium Units, Condominium Building, Common Elements or other portions of the Property which have been destroyed, damaged, condemned or become obsolete. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocably constitute and appoint the Association as their true and lawful attorney in their name, place and stead, for the purpose of dealing with the Project upon its damage, destruction, obsolescence or condemnation, as is hereinafter provided. As attorney-in-fact, the Association by its President and Secretary or Assistant Secretary, or its other duly authorized officers and agents, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or other instruments with respect to the

interest of an Owner which are necessary and appropriate to exercise the powers herein granted. In the event that the Association is dissolved or becomes defunct, a meeting of the Owners shall be held within thirty (30) days after either such event. At such meeting a new attorney-in-fact, to deal with the Project upon its construction, damage, obsolescence or condemnation, shall be appointed. Such appointment must be approved by the Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Common Elements and at least sixty-seven percent (67%) of the First Mortgagees of Condominium Units based upon one vote for each First Mortgage held.

13.2 Damage or Destruction. "Repair and reconstruction" of the improvements, as used in the succeeding subparagraphs, means restoring the improvement(s) to substantially the same condition in which they existed prior to their damage or destruction, with each Condominium Unit and the General and Limited Common Elements having substantially the same vertical and horizontal boundaries as before, and all improvements being reconstructed or repaired in substantial conformance with the Project's original architectural plan and scheme, to the extent then reasonably and economically feasible. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, reconstruction, restoration and replacement, in accordance with the provisions hereinafter set forth;

(a) Notwithstanding the provisions of Article XVIII hereof relating to the percentage required for consent or approval of Owners and First Mortgagees, in the event of damage or destruction due to fire or other adversity or disaster, the insurance proceeds, if sufficient to repair or reconstruct the improvement(s), shall be applied by the Association as attorney-in-fact, to such repair and reconstruction, and the improvement(s) shall be promptly repaired and reconstructed. The Association shall have full authority, right and power as attorney-in-fact to cause the repair and reconstruction of the improvement(s) Assessments for common expenses shall not be abated during the period of insurance adjustments and repair and construction.

(b) If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), 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 which, notwithstanding anything to the contrary contained in Section 7.6 hereof, shall be made without a vote of the Owners against all of the Owners and their Condominium Units. Such special assessment shall be assessed in accordance with the provisions of Section 7.6 hereof, and shall be due and payable not sooner than thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair, replacement or restoration of the improvement(s), using all of the insurance proceeds for such purpose, notwithstanding failure of an Owner to pay the aforesaid special assessment. The special assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit, and may be enforced and collected as provided in Section 7.9 hereof, including the provisions therein pertaining to the payment of interest, late charges, costs, attorneys' fees and expenses. Assessments for common expenses shall not be abated during the period of insurance adjustment and repair and reconstruction.

(c) Notwithstanding subsection (b) of this Section 12.3 and subject to the provisions of Article XVIII hereof relating to the percentages required for approval or consent of Owners, First Mortgagees, and insurers and guarantors of First Mortgages, if applicable, the Owners may agree not to repair or reconstruct the improvements; in such event, the Association shall forthwith record a notice in the office of the Clerk and Recorder of the County of Jefferson, Colorado, setting forth such facts, and upon the recordation of such notice

executed by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association pursuant to the provisions of this Section, as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Condominium Map, and the Articles of Incorporation and Bylaws of the Association. Assessments for common expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, combined with all sale proceeds and all such proceeds shall be divided into portions by the Association, each portion representing one Condominium Unit, with the amount of each portion to be reasonably, and in good faith, allocated to each Condominium Unit by the Board of Directors of the Association based on the comparative value of the Condominium Units as they existed immediately prior to the damage and destruction, using such evidence of the appraised values as is then available, including but not limited to recent appraisals, prepared by an appraiser certified by the MAI or the reasonable equivalent of such certification, of the Property, portions thereof or comparable property. Such divided proceeds shall be paid into separate accounts. 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(s) and First Mortgagees thereof. From each separate account, the Association, as attorney-in-fact, shall forthwith use and disburse the total amount of each such account, without contribution from one account to another, toward the payment of the liens encumbering the Condominium Unit represented by such separate account, as follows:

- (i) For payment of taxes and special assessment liens in favor of any assessing entity;
- (ii) For payment of the lien of any First Mortgage;
- (iii) For payment of unpaid Association common expense assessments, other assessments, charges and fees, and all costs, expenses and fees incurred by the Association;
- (iv) For payment of the customary expenses of sale;
- (v) For payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (vi) The balance remaining, if any, shall be paid to the Owner(s) of the Condominium Unit.

13.3 Obsolescence.

(a) The Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Condominium Units may agree that the Common Elements are obsolete and adopt a plan for the renewal and reconstruction thereof. If a plan for the renewal of reconstruction is adopted, notice of such plan shall be recorded in the office of the Clerk and Recorder for the County of Jefferson, Colorado, and the expenses of renewal and reconstruction shall be payable by all of the Owners as a common expense, whether or not they have previously consented to the plan of renewal and reconstruction. The aforesaid common expense assessment for the renewal and construction of the Common Elements shall be a debt of each Owner and a lien on its Condominium Unit which may be enforced and collected as provided in Section 7.9 hereof.

(b) Subject to the provisions of Article XVII hereof, relating to the percentages required for approval or consent of Owners, First Mortgagees, insurers and guarantors of First Mortgages, if applicable, the Owners may agree that the Condominium Units are obsolete and that the same should be sold. In such instance, the Association shall forthwith record in the office of the Clerk and Recorder of the County of Jefferson, Colorado, a notice setting forth such facts, and upon the recordation of such notice executed by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the Association, as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Condominium Map, and the Articles of Incorporation and the Bylaws of the Association. The sale proceeds shall be paid into separate accounts, each such account representing the Condominium Unit as more fully provided in Section 13.2(c) hereof. 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(s) thereof. From each separate account the Association, as attorney in fact, 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 Section 13.2(c) hereof.

13.4 Condemnation. If at any time or times during the continuance of condominium ownership pursuant to this Declaration, all or any part of the 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 Section 13.4 shall apply:

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

(b) In the event that the entire Project is taken, condemned, 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 by the Board of Directors of the Association in accordance with the procedure set forth in Section 13.2(c) hereof; provided, however, that if a standard different from the value of the Project as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable. The Association shall, as soon as practicable, determine the share of the Condominium 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 as provided in Section 13.2(c) hereof.

(c) Subject to the provisions of Article XVII hereof, relating to the approval of specified percentages of Owners and/or First Mortgagees, in the event that less than the entire Project is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award, to be determined in the following manner: as soon as practicable, subject to the following sentence, the Association shall reasonably, and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts to be allocated among the Owners as follows: (i) the total amount allocated to taking of or injury to the General Common Elements appurtenant to each Condominium Unit; (ii) the total amount allocated to severance damages shall be apportioned among the Owners on the basis of the undivided interest in the Common Elements appurtenant to each Condominium Unit; (iii) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (iii) the respective amounts allocated to the taking of or damage to a particular Condominium Unit,

including but not limited to the Limited Common Elements appurtenant thereto, and to the improvements an Owner has made within its Condominium Unit, shall be apportioned to the particular Condominium Unit involved and (iv) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances, or as determined by judicial decree. Notwithstanding anything to the contrary contained in this Declaration, the allocation of the Condemnation Award to each affected Condominium Unit shall be based on the comparative values of the affected Condominium Units as they existed immediately prior to the condemnation, using such evidence of the appraised values as is then available, including but not limited to recent appraisals, prepared by an appraiser certified by the MAI or the reasonable equivalent of such certification, of the affected property or comparable property. If the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award, the Association shall employ such allocation to the extent it is relevant and applicable. Apportioned proceeds shall be disbursed, as soon as practicable, in the same manner as provided in Section 13.2(c) hereof.

(d) Subject to the provisions of Article XVII hereof relating to the percentages required for approval or consent of Owners, First Mortgagees, and insurers and guarantors of First Mortgages, if applicable, in the event a partial taking results in the taking of a complete Condominium Unit, the Owner(s) thereof shall automatically cease to be member(s) of the Association, shall cease to hold any right, title or interest in the remaining Common Elements, and shall execute any and all documents necessary to accomplish the same. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the principles employed in this Declaration at its inception, and shall submit such reallocation to the Owners and to the First Mortgagees of all remaining Condominium Units for amendment of this Declaration as provided in Article XV hereof. The Condemnation Award as to each such completely taken Condominium Unit shall be paid into a separate account and disbursed, as soon as practicable, in the same manner as provided in Section 13.2(c) hereof.

(e) Any reconstruction and repair necessitated by condemnation shall be governed by the procedures of Section 13.2 hereof.

ARTICLE XIV

BURDENS AND BENEFITS OF DECLARATION

14.1 Covenants Running with Property. The benefits, burdens, and all other provisions contained in this Declaration shall be covenants running with and binding upon the Property.

14.2 Binding Upon and Inure to the Successors. The benefits, burdens and all other provisions contained in this Declaration shall be binding upon, and inure to the benefit of the Declarant, the Association and all Owners, and upon and to respective heirs, executors, administrators, personal representatives, successors and assigns. Any right or any interest reserved or contained in this Declaration to or for the benefit of the Declarant may be transferred or assigned by the Declarant, either separately or with one or more of such rights or interests, to any person, corporation, partnership, association or other entity.

ARTICLE XV

AMENDMENT OF DECLARATION

15.1 Amendment. Except for those matters governed by Section 16(1)(a) hereof, the provisions of this Declaration may be amended, in whole or in part, at any time and from time to time, by instrument approved in writing by not less than sixty-seven percent (67%) of the members; provided, however, that until the Declarant has conveyed all Condominium Units to the first Owners hereof (other than Declarant), any amendment of Section 5.3, 7.5 and 15.2 shall require the prior written approval of the Declarant.

15.2 Amendment by Declarant. Notwithstanding the provisions of Section 15.1, if Declarant shall determine that any amendments to this Declaration or any amendments to the Articles of Incorporation or Bylaws of the Association shall be necessary in order for existing or future mortgages to be acceptable to any of the Agencies, then, subject to the following sentence of this Section 15.2, Declarant shall have and hereby specifically reserves the right and power to make and execute any such amendments without obtaining the approval of any Owners or First Mortgagees. Each such amendment of this Declaration or of the Articles of Incorporation or Bylaws of the Association shall be made, if at all, by Declarant prior to (a) conveyance of the last Condominium Unit by Declarant to the first Owner thereof (other than Declarant), or (b) ten (10) years from the date upon which this Declaration is recorded in the records of the office of the Clerk and Recorder of Jefferson County, Colorado, whichever shall first occur.

15.3 Technical Corrections by Declarant. Declarant hereby reserves and is granted the right and power to record technical amendments to this Declaration at any time prior to the termination of its right to appoint the Board of Directors of the Association for the purposes of correcting spelling, grammar, dates or as is otherwise necessary to clarify the meaning of the provisions of this Declaration. Technical corrections are not amendments and shall not be construed as such.

15.4 Technical Corrections by Board of Directors. The Association, through its Board of Directors, is hereby granted the right and power to record technical corrections to the Declaration (and all Amendments to the Declaration) for the purpose of correcting spelling, grammar, dates, typographical errors, or as may otherwise be necessary to clarify the meaning of the provisions of the Declaration and any Amendments to the Declaration. Such technical corrections become effective after approval by the Board of Directors and upon recording at the office of the Clerk and Recorder and do not require Mortgagee or member approval. Technical corrections are not amendments and shall not be construed as such.

15.5 Recording of Amendments. To be effective, all amendments to this Declaration must be recorded in the office of the Clerk and Recorder of Jefferson County, Colorado, and must contain evidence of approval thereof showing the notarized signatures of all the appropriate parties.

ARTICLE XVI

FIRST MORTGAGEES

16.1 Member and First Mortgagee Approval. Subject to Sections 15.2 hereof, but notwithstanding any other provisions of this Declaration to the contrary, the Association shall not:

(a) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of each class of Members and sixty-seven percent (67%) of the First Mortgagees of Condominium Units (based on one vote for each First Mortgage held):

- (1) seek to abandon or terminate the Project, whether by act or omission;
- (2) change the pro rata interest or obligations of any individual Condominium Unit for the purpose of:
 - (A) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or
 - (B) determining the pro rata share of ownership of each Condominium Unit in the Common Elements;
 - (C) By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (excluding the granting of permits, licenses and easements for public utilities, roads or other purposes reasonably necessary or useful for the proper maintenance or operation of the Project);
 - (D) partition or subdivide any Condominium Unit; or
 - (E) use hazard insurance proceeds for losses to any condominium property (whether to Condominium Units or Common Elements) for other than the repair, replacement or reconstruction of such condominium property in accordance with the procedures set forth in Section 13.2 hereof, except as may be provided by statute in the case of substantial loss to such Condominium Units and/or Common Elements.

(b) unless it has obtained the prior written consent of at least sixty-seven percent (67%) of each class of Members, and fifty-one percent (51%) of the First Mortgagees of Condominium Units (based upon one vote for each First Mortgage owned);

- (1) add or amend any material provisions of this Declaration, the Articles of Incorporation or Bylaws of the Association, which establish, provide for, govern or regulate any of the following (provided that such additions or amendments shall not be considered amendments or material if they are for the purpose of correcting technical errors or for clarification only):
 - (A) voting rights;
 - (B) assessments, assessment liens or priority of such liens;
 - (C) reserves for maintenance, repair and replacement of those

elements of the Common Elements which must be maintained, repaired or replaced on a periodic basis;

- (D) insurance, including but not limited to fidelity bonds;
- (E) reallocation of interests in or rights to use of the Common Elements;
- (F) responsibility for maintenance and repair of any portion of the Project;
- (G) expansion or contraction of the Project or the addition, annexation or withdrawal of property to or from the Project;
- (H) boundaries of any Condominium Unit;
- (I) any action to terminate the legal status of the Project after substantial destruction or condemnation occurs;
- (J) convertibility of Condominium Units into Common Elements or of Common Elements into Condominium Units;
- (K) leasing of Condominium Units;
- (L) imposition of any right of first refusal or similar restriction on the right of any Owner to sell, transfer or otherwise convey its Condominium Unit;
- (M) any provisions which are for the express benefit of First Mortgagees, or insurers or guarantors of First Mortgages; or

- (2) effectuate any decision to terminate professional management and assume self-management of the Association, when professional management has previously been required by any First Mortgagee or any insurer or guarantor of a First Mortgage;

(c) unless it has obtained the prior written consent of at least fifty-one percent (51%) of the First Mortgagees of Condominium Units (based upon one vote for each First Mortgage owned):

- (1) restore or repair the Project, or any portion thereof, including but not limited to improvements located thereon, after a partial condemnation or damage due to an insurable hazard, other than substantially in accordance with this Declaration and the most recent plans and specifications for the Project and the construction of improvements thereon;
- (2) terminate the legal status of the Project after substantial destruction or a substantial taking in condemnation of the Project.

16.2 Notice of Action.

(a) A First Mortgagee or insurer or guarantor of a First Mortgage shall be entitled to timely written notice of:

- (1) any condemnation loss or casualty loss which affects a material portion of the Project or any Condominium Unit subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor of a First Mortgage;
- (2) any lapse, cancellation or material modification or any insurance policy or fidelity bond maintained by the Association;
- (3) any proposed action which would require the consent of a specified percentage of First Mortgagees as provided in this Article XVII or elsewhere in this Declaration.

(b) upon written request therefor, a First Mortgagee or insurer or guarantor of a First Mortgage shall be entitled to timely written notice of any delinquency in the payment of assessments or charges owed to the Association by the Owner of the Condominium Unit subject to a First Mortgage held, insured or guaranteed by such First Mortgagee, insurer or guarantor, or of any default by such Owner in any obligation under the Declaration, Articles of Incorporation or Bylaws of the Association and the Board of Directors of the Association has actual knowledge of such default, when such delinquency and/or default remains uncured for a period of sixty (60) days;

16.3 Financial Statements. The Association shall provide its financial statement (which may be audited or unaudited in the discretion of the Association) for the immediately preceding fiscal year, free of charge to the party so requesting, to any First Mortgagee of a Condominium Unit, or any insurer or guarantor of such a First Mortgage, within a reasonable time after written request therefor made by any such First Mortgagee, insurer or guarantor of such a First Mortgage.

16.4 Association Books and Records. The Association shall make available to Owners, First Mortgagees of Condominium Units and insurers or guarantors of any such First Mortgage, current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations, books, records and financial statements of the Association. The Association shall make available to prospective purchasers of Condominium Units current copies of this Declaration, and the Articles of Incorporation, Bylaws, rules and regulations and the most recent annual financial statement, if such is prepared, of the Association. "Available" shall mean available for inspection, upon request, during normal weekday business hours or under other reasonable circumstances.

16.5 Consent to Amendments. Any First Mortgagee who receives a written request (via certified or registered mail, "return receipt requested") to approve any material or non-material additions or amendments who does not deliver or post, by registered or certified mail, "return receipt requested", to the requesting party a negative response within thirty (30) days of receipt shall be deemed to have approved such request.

ARTICLE XVII

MISCELLANEOUS

17.1 Period of Condominium Ownership. The condominium ownership created by this Declaration and the Condominium Map shall continue until this Declaration is terminated in any manner provided in this Declaration.

17.2 Supplement to Condominium Ownership Act. The provisions of this Declaration shall be in addition and supplemental to the Colorado Common Interest Ownership Act, as it may be amended from time to time, and to all other applicable provisions of law. In the event this Declaration conflicts with the Colorado common Interest Ownership Act, the Colorado Common Interest Ownership Act, as amended from time to time, shall control.

17.3 Conveyance of Condominium Units. All Condominium Units, whether or not the instrument of conveyance or assignment shall refer to this Declaration, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way and all other terms and provisions contained in this Declaration, as it may be amended from time to time.

17.4 Enforcement. Enforcement of these covenants, conditions, restrictions, easements, reservations, rights-of-way, liens, charges and other provisions contained in this Declaration, the Articles of Incorporation or Bylaws of the Association, as amended, shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any such provision, to enjoin or restrain such violation or citation and any aggrieved Owner shall have the right to institute, maintain and/or prosecute any such proceedings; in any such action the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto.

17.5 Registration of Mailing Address. Each Owner, First Mortgagee, insurer and guarantor of a First Mortgage, shall register its mailing address with the Association, and notices or demands intended to be served upon any Owner, First Mortgagee, insurer or guarantor of a First Mortgage shall be delivered by messenger or sent by mail, postage prepaid, addressed in the name of such person or entity at such registered address.

17.6 Non-Waiver. Failure by the Declarant, the Association, any Owner, First Mortgagee, or other person or entity to enforce any covenant, condition, restriction, easement, reservation, right-of-way or other provision contained in this Declaration shall in no way or event be deemed to be a waiver of the right to do so thereafter.

17.7 Severability. 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 circumstance shall not be affected thereby.

17.8 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular shall include the plural, the plural the singular, and the use of any gender shall include all genders.

17.9 Captions. The captions of the Articles and Sections are included solely for convenience and reference, and shall have no significance in the interpretation of this

document.

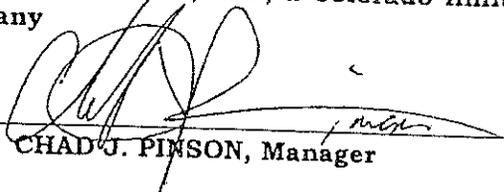
17.10 Conflicts in Documents. In the event there shall be any conflict between the provisions of this Declaration and the Articles or any Bylaw or Rule and Regulation of the Association, the provisions of this Declaration shall be controlling.

17.11 Counterparts. This Declaration, and any amendments hereto, may be executed in several counterparts and all counterparts so executed shall constitute one document binding on all signatories thereof, notwithstanding that all signatories have not executed the original or the same counterpart. In the event that any such document is executed in counterparts, those pages from the counterparts on which signatures and/or certificates of notaries public appear may be attached to the original instrument for the recordation thereof, provided that such recorded document shall also contain a certification of the Secretary of the Association that all counterparts, as executed, are identical.

17.12 Special Declarant Rights. If any right reserved herein by Declarant for the benefit of Declarant is a "development right" or a "special declarant right" as such terms are used in the Colorado Common Interest Ownership Act, then such right shall expire ten (10) years from the date this Declaration is recorded.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set their hands this 20 day of July, 2001.

4045 WADSWORTH, LLC, a Colorado limited liability company

By: 
CHAD J. PINSON, Manager

STATE OF COLORADO)
COUNTY OF Denver) ss.

The above and foregoing CONDOMINIUM DECLARATION FOR WADSWORTH 4045 CONDOMINIUMS was subscribed and sworn to before me this 20 day of July, 2001, by CHAD J. PINSON as Manager of 4045 WADSWORTH, LLC, a Colorado limited liability company, Owner and Declarant.

Witness my hand and official seal.

My commission expires: 5/22/03

Notary Public





EXHIBIT A

(Attached to and made a part of the
Condominium Declaration for
WADSWORTH 4045 CONDOMINIUMS)

LEGAL DESCRIPTION:

PARCEL A:

A PART OF THE NE 1/4 SW 1/4 OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH P.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT OF THE EAST LINE OF SAID NE 1/4 SE 1/4 SW 1/4 WHICH IS 347.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 329.07 FEET, MORE OR LESS, TO THE CENTER LINE OF THE NE 1/4 SE 1/4 SW 1/4 OF SAID SECTION; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SW 1/4, 144 FEET; THENCE EAST AT RIGHT ANGLES, 329.07 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SW 1/4; THENCE SOUTH ALONG THE SAID EAST LINE, 144 FEET TO THE POINT OF BEGINNING; EXCEPT THAT PORTION THEREOF LYING IN EXISTING WADSWORTH BOULEVARD AND AS CONVEYED TO DEPARTMENT OF HIGHWAYS BY DEED RECORDED IN BOOK 1191 AT PAGE 180, COUNTY OF JEFFERSON, STATE OF COLORADO.

PARCEL B:

THAT PART OF THE NE 1/4 SE 1/4 SW 1/4 OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST OF THE 6TH P.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID NE 1/4 SE 1/4 SW 1/4 WHICH IS 491.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 329.07 FEET, MORE OR LESS, TO THE CENTER LINE OF THE NE 1/4 SE 1/4 SW 1/4 OF SAID SECTION; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID SW 1/4, 144 FEET, MORE OR LESS, TO THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE; THENCE EAST ALONG THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE, 329.07 FEET, MORE OR LESS, TO THE EAST LINE OF SAID SW 1/4; THENCE SOUTH ALONG SAID EAST LINE, 144 FEET TO THE POINT OF BEGINNING, EXCEPT THAT PORTION THEREOF LYING IN EXISTING WADSWORTH BOULEVARD AND AS CONVEYED TO DEPARTMENT OF HIGHWAYS BY DEED RECORDED IN BOOK 1191 AT PAGE 180, AND

EXCEPTING FROM THE PARCELS A AND B THE FOLLOWING DESCRIBED TRACT OF LAND:

A PART OF THE NE ¼ SE ¼ SW ¼ OF SECTION 23, TOWNSHIP 3 SOUTH, RANGE 69 WEST 6TH P.M., DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE EAST LINE OF SAID NE ¼ SE ¼ SW ¼ WHICH IS 347.5 FEET NORTH OF THE SOUTHEAST CORNER THEREOF; THENCE WEST AT RIGHT ANGLES 319.07 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING; THENCE NORTH 288.0 FEET, MORE OR LESS, TO THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE; THENCE WEST AT RIGHT ANGLES ALONG THE SOUTH BOUNDARY LINE OF WEST 41ST AVENUE, 10.0 FEET, MORE OR LESS, TO THE CENTERLINE OF THE NE ¼ SE ¼ SW ¼ OF SAID SECTION; THENCE SOUTH AT RIGHT ANGLES ALONG THE CENTERLINE 288.0 FEET, MORE OR LESS; THENCE EAST AT RIGHT ANGLES 10.0 FEET, MORE OR LESS, TO THE TRUE POINT OF BEGINNING.

EXCEPTING FROM THE ABOVE DESCRIPTIONS THAT LAND CONVEYED TO THE CITY OF WHEAT RIDGE UNDER DEED RECORDED JUNE 30, 1996 AT RECEPTION NO. F0255828,
COUNTY OF JEFFERSON,
STATE OF COLORADO.

THE LEGAL DESCRIPTION GIVEN ABOVE FOR THE SUBJECT PROPERTY IS AS SPECIFICALLY CITED IN A SPECIAL WARRANTY DEED FILED WITH THE JEFFERSON COUNTY CLERK AND RECORDER'S OFFICE AT RECEPTION NO. F0705185 ON SEPTEMBER 30, 1998.

County of Jefferson,
State of Colorado.

Also known and numbered as 4045 Wadsworth Blvd., Wheat Ridge, Colorado

EXHIBIT B

(Attached to and made a part of the
Condominium Declaration for
WADSWORTH 4045 CONDOMINIUMS)

CONDOMINIUM UNIT	PERCENTAGE
Garden Level:	
UNIT 10	3.38%
UNIT 20	2.75%
UNIT 30	4.04%
UNIT 40	2.12%
UNIT 50	1.04%
UNIT 60	2.97%
UNIT 70	1.45%
UNIT 80	4.04%
First Floor	
UNIT 100	6.13%
UNIT 103	4.13%
UNIT 104	3.12%
UNIT 110	3.00%
UNIT 111	6.09%
UNIT 112	2.69%
Second Floor	
UNIT 200	2.08%
UNIT 205	1.00%
UNIT 210	8.24%
UNIT 220	2.03%
UNIT 250	6.11%
UNIT 260	1.74%
UNIT 270	3.49%
UNIT 290	2.61%
Third Floor	
UNIT 300	4.10%
UNIT 303	4.12%
UNIT 306	4.02%
UNIT 307	4.28%
UNIT 308	1.00%
UNIT 309	1.00%
UNIT 310	4.10%
UNIT 311	3.13%
TOTAL	100%

BYLAWS
OF
WADSWORTH 4045 CONDOMINIUM ASSOCIATION, INC.

ARTICLE I
PURPOSE

Section 1. The purpose for which this non-profit Association is formed is to govern the condominium property which has been or will be submitted to the provisions of the Condominium Ownership Act of the State of Colorado by the recording of the Declaration and Supplements thereto and Maps and Supplements thereto bearing the name associated with this Association.

Section 2. All present or future owners, tenants, future tenants, or any other person that might use in any manner the facilities of the project located on the property therein described are subject to the regulations set forth in these By-Laws. Any terms used herein which are not otherwise defined by these By-laws shall have the meanings set forth in the Condominium Declarations for WADSWORTH 4045 CONDOMINIUMS, as may be amended from time to time.

ARTICLE II
MEMBERSHIP, VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Membership. Except as is otherwise provided in these By-Laws, ownership of a condominium unit is required in order qualify for membership in this Association. Any person on becoming an owner of a condominium unit shall automatically become a member of this Association and be subject to these By-Laws. Such membership shall terminate without any formal Association action whenever such person ceases to own a condominium unit, but such termination shall not relieve or release any such former owner from any liability or obligation incurred under or in any way connected with this Association during the period of such ownership and membership in the Association, or impair any rights or remedies which the unit owners have, either through the Board of Directors of the Association or directly, against such former owner and member arising out of or in any way connected with ownership and membership and the covenants and obligations incident thereto.

Section 2. Voting. The owner or owners of each condominium unit shall be entitled to one vote for each such condominium unit owned by said owner or owners.

Section 3. Majority of Unit Owners. As used in these By-Laws the term "majority of unit owners" shall mean those owners of more than fifty percent (50%) of the undivided ownership of the general common elements.

Section 4. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of at least one half (1/2) of the record owners shall constitute a quorum. An affirmative vote of a majority of the unit owners present, either in person or by proxy, shall be required to transact the business of the meeting.

Section 5. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

**ARTICLE III
ADMINISTRATIVE**

Section 1. Association Responsibilities. The owners of the units will constitute the Association of Unit Owners, hereinafter referred to as "Association", who will have the responsibility of administering the project through a Board of Directors.

Section 2. Place of Meeting. Meetings of the Association shall be held at such place within the State of Colorado as the Board of Directors may determine.

Section 3. Annual Meetings. The first meeting of the Association shall be held during the month of December in the year following the incorporation of this Association. Thereafter, the annual meetings of the Association shall be held during the month of December of each succeeding year. At such meetings there shall be elected by ballot of the owners, a Board of Directors in accordance with the requirements of section 5 of Article IV of these By-Laws. The owners may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. The President may call a special meeting of the owners upon his own initiative or as directed by resolution of the Board of Directors or upon receipt of a petition signed by at least one fifth (1/5) of the owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business except as stated in the notice shall be transacted at a special meeting. Any such meetings shall be held at such place and time as the President determines within thirty (30) days after receipt by the President of such resolution or petition.

Section 5. Notice of Meetings. The Secretary shall mail or deliver a notice of each annual or special meeting, stating the purpose thereof as well as the time and place it is to be held, to each owner of record, at least fifteen (15) but not more than sixty (60) days prior to such meeting. The mailing of a notice in the manner provided in this paragraph or the delivery of such notice shall be considered notice served.

Section 6. Adjourned Meetings. If any meeting of owners cannot be organized because a quorum has not attended, the owners who are present, either in person or by proxy, may adjourn the meeting, from time to time, until a quorum is obtained.

**ARTICLE IV
BOARD OF DIRECTORS**

Section 1. General Powers. All corporate powers shall be exercised by or under authority of, and the business and affairs of the corporation shall be managed under the direction of its board of directors, except as otherwise provided in the Condominium Declaration or the articles of incorporation.

Section 2. Number, Qualifications and Tenure. The number of directors of the corporation shall be fixed from time to time by the board of directors, which shall initially be three. Any director shall be a natural person who is eighteen years of age or older and a member of the Association.

Directors shall be elected at each annual meeting of the Members. Each director shall hold office until the next Annual Meeting of members following his election and thereafter until his successor shall have been elected and qualified. Directors shall be

removed in the manner provided by the Colorado Business Corporation Act.

Section 3. Vacancies. Any director may resign at any time by giving written notice to the corporation. Such resignation shall take effect at the time the notice is received by the corporation unless the notice specifies a later effective date. Unless otherwise specified in the notice of resignation, the corporation's acceptance of such resignation shall not be necessary to make it effective. Any vacancy on the board of directors may be filled by the affirmative vote of a majority of the Members of the Association or majority vote of the board of directors. If the directors remaining in office constitute fewer than a quorum of the board, the directors may fill the vacancy by the affirmative vote of a majority of all the directors remaining in office. If elected by the directors, the director shall hold office until the next Annual Meeting at which directors are elected. If elected by the Members, the director shall hold office for the unexpired term of his predecessor in office; except that, if the director's predecessor was elected by the directors to fill a vacancy, the director elected by the Members shall hold office for the unexpired term of the last predecessor elected by the Members.

Section 4. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and for the operation and maintenance of the condominium project as a warehouse and general office condominium property. The Board of Directors may do all such acts and things except as prohibited by Colorado law, or by the Articles of Incorporation, or by the Condominium Declarations.

Such powers and duties of the Board of Directors shall include, but shall not be limited to, the following, all of which shall be done for and in behalf of the owners of the condominium units:

(a) To administer and enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations and all other provisions set forth in the Condominium Ownership Act of the State of Colorado, the By-Laws of the Association and supplements and amendments thereto.

(b) To establish, make and enforce compliance with such rules and regulations as may be necessary for the operation, rentals, use and occupancy of all of the condominium units with the right to amend same from time to time. A copy of such rules and regulations shall be delivered or mailed to each member upon the adoption thereof.

(c) To incur such costs and expenses as may be necessary to keep in good order, condition and repair all of the general and limited common elements and all items of common personal property.

(d) To maintain insurance as set forth in the Condominium Declarations.

(e) To prepare a budget for the condominium, at least annually, in order to determine the amount of the common assessments payable by the unit owners to meet the common charges among the unit owners according to their respective common ownership interests in and to the general common elements, and by majority vote of the Board to adjust, decrease or increase the amount of the quarterly or monthly assessments, and remit or return any excess of assessments over expenses, working capital, sinking funds, reserve for deferred maintenance and for replacement to the owners at the end of each operating year. To levy and collect special assessments whenever in the opinion of

the Board it is necessary to do so in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, or because of emergencies.

(f) To collect delinquent assessments by suit or otherwise and to enjoin or seek damages from an owner as is provided in the Declarations and these By-Laws. To enforce a late charge of not more than \$20.00 per month and to collect interest at the rate of twelve percent (12%) per annum in connection with assessments remaining unpaid more than fifteen (15) days from due date for payment thereof, together with all expenses, including attorney's fees incurred. The Board of Directors shall have the right, power and authority to prohibit use of the condominium unit by the owner thereof his guests, tenants, lessees and invitees in the event that any assessment made remains unpaid more than thirty (30) days from the due date for payment thereof.

(g) The Board of Directors may delegate any of the powers set forth in this Section 4 to other persons or to a managing agent.

Section 5. No Waiver of Rights. The omission or failure of the Association or any condominium unit owner to enforce the covenants, conditions, restrictions, easements, uses, limitations, obligations or other provision of the Condominium Declaration, the By-Laws or the house rules and regulations adopted pursuant thereto, shall not constitute or be deemed a waiver, modification or release thereof, and the Board of Directors or the Managing Agent shall have the right to enforce the same thereafter.

Section 6. Regular Meetings. A regular meeting of the board of directors shall be held without notice immediately after and at the same place as the annual meeting of members. The board of directors may provide by resolution the time and place, either within or outside Colorado, for the holding of additional regular meetings without other notice.

Section 7. Special Meetings. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board of directors may fix any place, either within or outside Colorado, as the place for holding any special meeting of the board of directors called by them, provided that no meeting shall be called outside the State of Colorado unless a majority of the board of directors has so authorized.

Section 8. Notice. Notice of any special meeting shall be given at least three days prior to the meeting by written notice either personally delivered or mailed to each director at his residence address, or by notice transmitted by telegraph, telex, electronically transmitted facsimile or other form of wire or wireless communication.

A director may waive notice of a meeting before or after the time and date of the meeting by a writing signed by such director. Such waiver shall be delivered to the corporation for filing with the corporate records. Further, a director's attendance at or participation in a meeting waives any required notice to him of the meeting unless at the beginning of the meeting, or promptly upon his later arrival, the director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board of directors need be specified in the notice or waiver of notice of such meeting.

Section 9. Quorum. A majority of the number of directors in office immediately

before the meeting begins, shall constitute a quorum for the transaction of business at any meeting of the board of directors. If less than such majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, for a period not to exceed sixty days at any one adjournment.

Section 10. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

Section 11. Compensation. Directors shall serve without compensation.

Section 12. Presumption of Assent. A director of the corporation who is present at a meeting of the board of directors or committee of the board at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless (i) the director objects at the beginning of the meeting, or promptly upon his arrival, to the holding of the meeting or the transaction of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting, (ii) the director contemporaneously requests that his dissent or abstention as to any specific action taken be entered in the minutes of the meeting, or (iii) the director causes written notice of his dissent or abstention as to any specific action to be received by the presiding officer of the meeting before its adjournment or by the corporation promptly after the adjournment of the meeting. A director may dissent to a specific action at a meeting, while assenting to others. The right to dissent to a specific action taken at a meeting of the board of directors or a committee of the board shall not be available to a director who voted in favor of such action.

Section 13. Informal Action by Directors. Any action required or permitted to be taken at a meeting of the directors or any committee designated by the board of directors may be taken without a meeting if a written consent (or counterparts thereof) that sets forth the action so taken is signed by all of the directors entitled to vote with respect to the action taken. Such consent shall have the same force and effect as a unanimous vote of the directors or committee members and may be stated as such in any document. Unless the consent specifies a different effective date, action taken under this Section 13 is effective at the time the last director signs a writing describing the action taken, unless, before such time, any director has revoked his consent by a writing signed by the director and received by the president or the secretary of the corporation.

Section 14. Telephonic Meetings. The board of directors may permit any director (or any member of a committee designated by the board) to participate in a regular or special meeting of the board of directors or a committee thereof through the use of any means of communication by which all directors participating in the meeting can hear each other during the meeting. A director participating in a meeting in this manner is deemed to be present in person at the meeting.

Section 15. Standard of Care. A director shall perform his duties as a director, including without limitation his duties as a member of any committee of the board, in good faith, in a manner he reasonably believes to be in the best interests of the Association, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances. In performing his duties, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by the persons herein designated. However, he shall not be considered to be acting in good faith if he has knowledge concerning the matter in question that would cause such reliance to be unwarranted. A director shall not be liable to the

corporation or its Members for any action he takes or omits to take as a director if, in connection with such action or omission, he performs his duties in compliance with this Section 15.

ARTICLE V FISCAL MANAGEMENT

The provision for fiscal management of the condominium units for and in behalf of all of the unit owners as set forth in the Condominium Declaration shall be supplemented by the following provisions:

Section 1. Accounts. The funds and expenditures of the unit owners by and through the Association shall be credited and charged to accounts under the following classifications as shall be appropriate, all of which expenditures shall be common expenses:

(a) Current expense, which shall include all funds and expenditures within the year for which the funds are budgeted, including a reasonable allowance for contingencies and working funds, except expenditures chargeable to reserves or the additional improvements.

(b) Reserve for deferred maintenance, which shall include funds for maintenance items which occur less frequently than annually.

(c) Reserve for replacement, which shall include funds for repair or replacement required because of damage, wear or obsolescence.

ARTICLE VI OFFICERS AND AGENTS

Section 1. General. The officers of the corporation shall be a president, one or more vice presidents, a secretary and a treasurer, each of whom shall be a natural person eighteen years of age or older. The board of directors or an officer or officers authorized by the board may appoint such other officers, assistant officers, committees and agents, including a chairman of the board, assistant secretaries and assistant treasurers, as they may consider necessary. The board of directors or the officer or officers authorized by the board shall from time to time determine the procedure for the appointment of officers, their term of office, their authority and duties and their compensation. One person may hold more than one office. In all cases where the duties of any officer, agent or employee are not prescribed by the bylaws or by the board of directors, such officer, agent or employee shall follow the orders and instructions of the president of the corporation.

Section 2. Appointment and Term of Office. The officers of the corporation shall be appointed by the board of directors at each annual meeting of the board held after each annual meeting of the members. If the appointment of officers is not made at such meeting or if an officer or officers are to be appointed by another officer or officers of the corporation, such appointments shall be made as soon thereafter as conveniently may be. Each officer shall hold office until the first of the following occurs: his successor shall have been duly appointed and qualified, his death, his resignation, or his removal in the manner provided in Section 3.

Section 3. Resignation and Removal. An officer may resign at any time by giving written notice of resignation to the corporation. The resignation is effective when the

notice is received by the corporation unless the notice specifies a later effective date.

Any officer or agent may be removed at any time with or without cause by the board of directors or an officer or officers authorized by the board. Such removal does not affect the contract rights, if any, of the corporation or the person so removed. The appointment of an officer or agent shall not in itself create contract rights.

Section 4. Vacancies. A vacancy in any office, however occurring, may be filled by the board of directors, or by the officer or officers authorized by the board, for the unexpired portion of the officer's term. If an officer resigns and his resignation is made effective at a later date, the board of directors, or officer or officers authorized by the board, may permit the officer to remain in office until the effective date and may fill the pending vacancy before the effective date if the board of directors or officer or officers authorized by the board provide that the successor shall not take office until the effective date. In the alternative, the board of directors, or officer or officers authorized by the board of directors, may remove the officer at any time before the effective date and may fill the resulting vacancy.

Section 5. President. Subject to the direction and supervision of the board of directors, the president shall be the chief executive officer of the corporation and shall have general and active control of its affairs and business and general supervision of its officers, agents and employees. Unless otherwise directed by the board of directors, the president shall attend in person or by substitute appointed by him, or shall execute on behalf of the corporation written instruments appointing a proxy or proxies to represent the corporation, at all meetings of the stockholders of any other corporation in which the corporation holds any stock. On behalf of the corporation, the president may in person or by substitute or by proxy execute written waivers of notice and consents with respect to any such meetings. At all such meetings and otherwise, the president, in person or by substitute or proxy, may vote the stock held by the corporation, execute written consents and other instruments with respect to such stock, and exercise any and all rights and powers incident to the ownership of said stock, subject to the instructions, if any, of the board of directors. On behalf of the corporation, the president and secretary may prepare, execute, certify and record amendments to the Declaration. The president shall have custody of the treasurer's bond, if any.

Section 6. Vice Presidents. The vice presidents shall assist the president and shall perform such duties as may be assigned to them by the president or by the board of directors. In the absence of the president, the vice president, if any (or, if more than one, the vice presidents in the order designated by the board of directors, or if the board makes no such designation, then the vice president designated by the president, or if neither the board nor the president makes any such designation, the senior vice president as determined by first election to that office), shall have the powers and perform the duties of the president.

Section 7. Secretary. The secretary shall (i) prepare and maintain as permanent records the minutes of the proceedings of the members or board of directors without a meeting, a record of all actions taken by a committee of the board of directors in place of the board of directors on behalf of the corporation, and a record of all waivers of notice of meetings of members and of the board of directors or any committee thereof, (ii) see that all notices are duly given in accordance with the provisions of these bylaws and as required by law, (iii) serve as custodian of the corporate records and of the seal of the corporation and affix the seal to all documents when authorized by the board of directors, (iv) keep at

the corporation's registered office or principal place of business a record containing the names and addresses of all members, (v) maintain at the corporation's principal office the original or copies of the corporation's articles of incorporation, bylaws, minutes of all members' meetings and records of all action taken by members without a meeting for the past three years, a copy of the corporation's most recent corporate report filed with the Secretary of State, (vi) authenticate records of the corporation, and (vii) in general, perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors. Assistant secretaries, if any, shall have the same duties and powers, subject to supervision by the secretary. The directors and/or members may however respectively designate a person other than the secretary or assistant secretary to keep the minutes of their respective meetings.

Any books, records, or minutes of the corporation may be in written form or in any form capable of being converted into written form within a reasonable time.

Section 8. Treasurer. The treasurer shall be the principal financial officer of the corporation, shall have the care and custody of all funds, securities, evidences of indebtedness and other personal property of the corporation and shall deposit the same in accordance with the instructions of the board of directors. He shall receive and give receipts and acquittances for money paid in on account of the corporation, and shall pay out of the corporation's funds on hand all bills, payrolls and other just debts of the corporation of whatever nature upon maturity. He shall perform all other duties incident to the office of the treasurer and, upon request of the board, shall make such reports to it as may be required at any time. He shall, if required by the board, give the corporation a bond in such sums and with such sureties as shall be satisfactory to the board, conditioned upon the faithful performance of his duties and for the restoration to the corporation of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the corporation. He shall have such other powers and perform such other duties as may from time to time be prescribed by the board of directors or the president. The assistant treasurers, if any, shall have the same powers and duties, subject to the supervision of the treasurer.

ARTICLE VII INDEMNIFICATION

Section 1. Indemnification. For purposes of Article VII, a "Proper Person" means any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal, by reason of the fact that he is or was a director, officer, employee, fiduciary or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary or agent of any foreign or domestic profit or nonprofit corporation or of any partnership, joint venture, trust, profit or nonprofit corporation or of any partnership, joint venture, trust, profit or nonprofit unincorporated association, limited liability company, or other enterprise or employee benefit plan. The corporation shall indemnify any Proper Person against reasonably incurred expenses (including attorneys' fees), judgments, penalties, fines (including any excise tax assessed with respect to an employee benefit plan) and amounts paid in settlement reasonably incurred by him in connection with such action, suit or proceeding if it is determined by the groups set forth in Section 4 of this Article that he conducted himself in good faith and that he reasonably believed (i) in the case of conduct in his official capacity with the corporation, that his conduct was in the corporation's best interests, or (ii) in all other cases (except criminal cases), that his conduct was at least not

opposed to the corporation's best interest, or (iii) in the case of any criminal proceeding, that he had no reasonable cause to believe his conduct was unlawful. A Proper Person will be deemed to be acting in his official capacity while acting as a director, officer, employee or agent on behalf of this corporation and not while acting on this corporation's behalf for some other entity.

No indemnification shall be made under this Article VII to a Proper Person with respect to any claim, issue or matter in connection with a proceeding by or in the right of a corporation or in connection with any proceeding charging that the Proper Person derived an improper personal benefit, whether or not involving action in an official capacity, in which he was adjudged liable on the basis that he derived an improper personal benefit. Further, indemnification under this Section in connection with a proceeding brought by or in the right of the corporation shall be limited to reasonable expenses, including attorneys' fees, incurred in connection with the proceeding.

Section 2. Right to Indemnification. The corporation shall indemnify any Proper Person who was wholly successful, on the merits or otherwise, in defense of any action, suit, or proceeding as to which he was entitled to indemnification under Section 1 of this Article VII against expenses (including attorneys' fees) reasonably incurred by him in connection with the proceeding without the necessity of any action by the corporation other than the determination in good faith that the defense has been wholly successful.

Section 3. Effect of Termination of Action. The termination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent shall not of itself create a presumption that the person seeking indemnification did not meet the standards of conduct described in Section 1 of this Article VII. Entry of a judgment by consent as part of a settlement shall not be deemed an adjudication of liability, as described in Section 2 of this Article VII.

Section 4. Groups Authorized to Make Indemnification Determination. Except where there is a right to indemnification as set forth in Sections 1 or 2 of this Article VII or where indemnification is ordered by a court in Section 5, any indemnification shall be made by the corporation only as authorized in this specific case upon a determination by a proper group that indemnification of the Proper Person is permissible under the circumstances because he has met the applicable standards of conduct set forth in Section 1 of this Article VII. This determination shall be made by the board of directors by a majority vote of those present at a meeting at which a quorum is present, which quorum shall consist of directors not parties to the proceeding ("Quorum"). If a Quorum cannot be obtained, the determination shall be made by a majority vote of a committee of the board of directors designated by the board, which committee shall consist of two or more directors not parties to the proceeding, except that directors who are parties to the proceeding may participate in the designation of directors for the committee. If a Quorum of the board of directors cannot be obtained and the committee cannot be established, or even if a Quorum is obtained or the committee is designated and a majority of the directors constituting such Quorum of committee so directs, the determination shall be made by (i) independent legal counsel selected by a vote of the board of directors or the committee in the manner specified in this Section 4 or, if a Quorum of the full board of directors cannot be obtained and a committee cannot be established, by independent legal counsel selected by a majority vote of the full board (including directors who are parties to this action) or (ii) a vote of the members.

Section 5. Court-Ordered Indemnification. Any Proper Person may apply for

indemnification to the court conducting the proceeding or to another court of competent jurisdiction for mandatory indemnification under Section 2 of this Article, including indemnification for reasonable expenses incurred to obtain court-ordered indemnification. If the court determines that such Proper Person is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not he met the standards of conduct set forth in Section 1 of this Article or was adjudged liable in the proceeding, the court may order such indemnification as the court deems proper except that if the Proper Person has been adjudged liable, indemnification shall be limited to reasonable expenses incurred in connection with the proceeding and reasonable expenses incurred to obtain court-ordered indemnification.

Section 6. Advance of Expenses. Reasonable expenses (including attorneys' fees) incurred in defending an action, suit or proceeding as described in Section 1 may be paid by the corporation to any Proper Person in advance of the final disposition of such action, suit or proceeding upon receipt of (i) a written affirmation of such Proper Person's good faith belief that he has met the standards of conduct prescribed by Section 1 of this Article VI, (ii) a written undertaking, executed personally or on the Proper Person's behalf, to repay such advances if it is ultimately determined that he did not meet the prescribed standards of conduct (the undertaking shall be an unlimited general obligation of the Proper Person but need not be secured and may be accepted without reference to financial ability to make repayment), and (iii) a determination is made by the proper group (as described in Section 4 of this Article VII) that the facts as then known to the group would not preclude indemnification. Determination and authorization of payments shall be made in the same manner specified in Section 4 of this Article VII.

Section 7. Witness Expenses. The sections of this Article VII do not limit the corporation's authority to pay or reimburse expenses incurred by a director in connection with an appearance as a witness in a proceeding at a time when he has not been made a named defendant or respondent in the proceeding.

Section 8. Report to Members. Any indemnification of or advance of expenses to a director in accordance with this Article VII, if arising out of a proceeding by or on behalf of the corporation, shall be reported in writing to the Members with or before the notice of the next Annual Meeting.

**ARTICLE VIII
PROVISION OF INSURANCE**

Section 1. Directors and Officers. By action of the board of directors, notwithstanding any interest of the directors in the action, the corporation may purchase and maintain insurance, in such scope and amounts as the board of directors deems appropriate, on behalf of any person who is or was a director, officer, employee, fiduciary or agent of the corporation, or who, while a director, officer, employee, fiduciary or agent of the corporation, is or was serving at the request of the corporation as a director, officer, partner, trustee, employee, fiduciary or agent of any other foreign or domestic corporation, limited liability company or other enterprise or employee benefit plan, against any liability asserted against, or incurred by, him in that capacity or arising out his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of Article VI or applicable law. Any such insurance may be procured from any insurance company designated by the board of directors of the corporation, whether such insurance company is formed under the laws of Colorado or any other jurisdiction of the United States or elsewhere, including any insurance company in which the corporation has an equity interest or any other interest, through stock ownership or otherwise.

Section 2. Managing Agent. If the corporation or the board of directors delegates powers relating to the collection, deposit, transfer or disbursement of funds to a managing agent or management company, the corporation shall require

- (a) that fidelity insurance and/or a fidelity bond be maintained in an amount determined by the board of directors but not less than \$50,000;
- (b) that any managing agent or management company maintain all funds and accounts of the corporation separate from the funds and accounts of other associations so managed, and maintain all reserve accounts of each association so managed separate from operational accounts of each association; and
- (c) that an annual accounting for corporation funds and a financial statement be prepared and presented to the corporation by the managing agent, a public accountant or a certified public accountant.

**ARTICLE IX
MORTGAGES**

Section 1. Notice to Association. An owner who mortgages his unit shall notify the Association through the Managing Agent, if any, or the Secretary of the Board of Directors, giving the name and address of his mortgagee. The Association shall maintain such information in a book entitled "Mortgagees of Units".

Section 2. Notice of Unpaid Common Assessments. The Board of Directors, whenever so requested in writing by a mortgagee of a condominium unit, shall promptly report any then unpaid common assessments due from, or any other default by, the owner of a mortgaged unit.

Section 3. Notice of Default. The Board of Directors, when giving notice to a unit owner of a default in paying common assessments or other default, shall send a copy of such notice to each holder of a mortgage covering such condominium unit whose name and address has theretofore been furnished to the Board of Directors.

Section 4. Examination of Books. Each unit owner 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, but not more often than once each month.

ARTICLE IX MISCELLANEOUS

Section 1. Notice of Lien or Suit. An owner shall give notice to the Association of every lien or encumbrance upon his condominium unit, other than for taxes and special assessments, and notice of every suit or other proceeding which may affect the title to his condominium unit, and such notice shall be given in writing within five (5) days after the owner has knowledge thereof.

Section 2. Maintenance and Repair.

(a) Every owner must perform promptly, at his own expense, all maintenance and repair work within his own unit which, if omitted, would affect the appearance of or the aesthetic integrity of part or all of the condominium project.

(b) All the repairs of internal installations of the unit such as water, light, gas, power, sewage, telephone, sanitary installations, doors, windows, electrical fixtures and all other accessories, equipment and fixtures shall be at the owner's expense.

(c) An owner shall be obligated to reimburse the Association promptly upon receipt of its statement for any expenditures incurred by it in repairing or replacing any general or limited common element damaged by his negligence or by the negligence of his tenants or agents or guests.

Section 3. Mechanic's Lien. Each owner agrees to indemnify and to hold each of the other owners harmless from any and all claims of mechanic's lien filed against other condominium units and the appurtenant general common elements for labor, materials, services or other products incorporated in the owner's condominium unit. In the event such a lien is filed and/or a suit for foreclosure of mechanic's lien is commenced, then within ten (10) days thereafter such owner shall be required to deposit with the Association cash or negotiable securities in an amount determined by the Association, but not more than 150% of the amount claimed, and not less than One Hundred Fifty Dollars, which amount may be used by the Association for any costs and expenses incurred, including attorney's fees incurred for legal advice and counsel. Except as is otherwise provided, such sum or securities shall be held by the Association pending final adjudication or settlement of the claim or litigation. Disbursement of such funds of proceeds shall be made by the Association to insure payment of or on accounts of such final judgment or settlement. Any deficiency, including attorney's fees incurred by the Association, shall be paid forthwith by the subject owner, and his failure to so pay shall entitle the Association to make such payment, and the amount thereof shall be a debt of the owner and a lien against his condominium unit which may be foreclosed as is provided in section 10.2 of the

Condominium Declaration. All advancements, payments, costs and expenses including attorney's fees, incurred by the Association shall be forthwith reimbursed to it by such owner(s), and the owner shall be liable to the Association for the payment of interest at the rate of twelve percent (12%) per annum on all such sums paid or incurred by the Association.

Section 4. Amendments. The board of directors shall have power, to the maximum extent permitted by the Colorado Business Corporation Act, to make, amend and repeal the bylaws of the corporation at any regular or special meeting of the board unless the Members, in making, amending or repealing a particular bylaw, expressly provide that the directors may not amend or repeal such bylaw. The Members also shall have the power to make, amend or repeal the bylaws of the corporation at any annual meeting or at any special meeting called for that purpose.

Section 5. Gender. The masculine gender is used in these bylaws as a matter of convenience only and shall be interpreted to include the feminine and neuter genders as the circumstances indicate.

Section 6. Conflicts. In the event of any irreconcilable conflict between these bylaws and either the corporation's articles of incorporation or applicable law, the latter shall control.

Section 7. Definitions. Except as otherwise specifically provided in these bylaws, all terms used in these bylaws shall have the same definition as in the Condominium Declaration.

Section 8. General.

(a) Each owner shall strictly comply with the provisions of the recorded Condominium Declaration and these By-Laws and amendments thereto.

(b) Each owner shall always endeavor to observe and promote the cooperative purposes for the accomplishment of which this condominium project was built.

Section 9. Use of Units - Internal Changes.

(a) All units shall be utilized only for warehouse and general office purposes as is provided in the Condominium Declaration.

(b) An owner shall not make structural modifications or alterations to his unit or installations located therein without the written approval of the Board of Directors. The Board of Directors shall be notified in writing of the intended modifications through the Managing Agent or, if no Managing Agent is employed, then, through the President of the Board of Directors. The Association shall have the obligation to answer an owner's request within fifteen (15) days after such notice, and failure to do so within such time shall mean that there is no objection to the proposed modifications or alterations.

Section 10. Use of General Common Elements and Limited Common Elements.

Each owner may use the general common elements, the limited common elements, parking areas, sidewalks, pathways, roads and other common elements located within the entire condominium project in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of the other owners, and subject to the rules and regulations contained in these By-Laws and established by the Board of Directors as is provided in Section 12 of this Article IX.

Section 11. Right to Entry.

(a) An owner shall and does grant the right of entry to the Managing Agent or to any other person authorized by the Board of Directors in case of any emergency originating in or threatening his unit, whether the owner is present at the time or not.

(b) An owner shall permit other owners, or their representatives, to enter his unit for the purpose of performing installations, alterations or repairs to the mechanical, electrical or utility services which, if not performed, would affect the use of other units; provided that requests for entry are made in advance and that such entry is at a time convenient to the owner. In case of an emergency, such right of entry shall be immediate.

Section 12. Rules and Regulations.

(a) The initial rules and regulations, which shall be effective until amended or supplemented by the Board of Directors are annexed hereto and made a part hereof as Schedule "A".

(b) The Board of Directors reserves the power to establish, make and enforce compliance with such additional house rules as may be necessary for the operation, use and occupancy of this condominium project with the right to amend same from time to time. Copies of such rules and regulations shall be furnished to each unit owner prior to the date when the same shall become effective.

Section 13. Destruction and Obsolescence.

Each owner, upon becoming an owner of a condominium unit, thereby grants his power of attorney in favor of the Association, irrevocably appointing the Association his attorney-in-fact to deal with the owner's condominium unit upon its damage, destruction or obsolescence, all as is provided in the Condominium Declaration.

Section 14. Limitations on Actions. No part of the earnings of the Corporation shall inure to the benefit of its directors, officers, employees, agents or other private persons except the Corporation is authorized to pay reasonable compensation for services rendered by such persons, except that directors shall not be compensated for services rendered as directors.

Section 15. Dissolution. The Corporation may only be dissolved by a two-thirds vote of all the voting members present at a Special Meeting called to consider such action together with the affirmative vote of not less than two-thirds of all of the directors at a meeting of the Board of Directors called to consider such action. In the event of dissolution of the Corporation, whether voluntary or involuntary, no director, officer, employee or agent shall be entitled to any distribution or division of the remaining property

or proceeds. The balance of all money and property, after payment of all debts, shall be distributed exclusively for purposes set forth in Article II and within any requirements of the Internal Revenue Code applicable to such associations.

Section 16. Notice and Hearing. For any provision of these by-laws or in the Condominium Declaration which requires notice and hearing prior to any action involving a Unit or the Owner of a Unit, written notice of the hearing date, time and place shall be given to the Owner of the Unit not less than ten (10) days nor more than sixty (60) days prior to the hearing date. Any hearing shall be held before the Board of Directors, or such committee of not less than three persons, as may be appointed by the Board of Directors.

ARTICLE XII MORTGAGEES AS PROXIES

Section 1. Mortgagees as Proxies. Condominium unit owners shall have the right to irrevocably constitute and appoint the beneficiary of a trust deed their true and lawful attorney to vote their unit membership in this Association at any and all meetings of the Association and to vest in such beneficiary of his nominee any and all rights, privileges and powers that they have as unit owners under the Articles of Incorporation and By-Laws of this Association or by virtue of the recorded Condominium Declaration. Such proxy shall become effective upon the filing of a notice by the beneficiary with the Secretary of the Association at such time or times as the beneficiary shall deem its security in jeopardy by reason of the failure, neglect or refusal of the Association the Managing Agent or the unit owners to carry out their duties as set forth in the Condominium Declaration. A release of the beneficiary's deed of trust shall operate to revoke such proxy. Nothing herein contained shall be construed to relieve condominium unit owners, as mortgagors, of their duties and obligations as condominium unit owners or to impose upon the beneficiary of the deed of trust the duties and obligations of a unit owner.

The above and foregoing Bylaws were duly adopted by the initial Board of Directors as of July 25th, 2001.


_____, 2001
Corporate Secretary and Secretary
of Meeting

A RATIFICATION OF PLAT

We, Parker Road Offices, LLC, a Colorado Limited Liability Company

, as the holder of an Indebtedness secured by a

Deed of Trust which is a lien against the following described property, located in the

County of Jefferson, State of Colorado, to wit:

SEE ATTACHED LEGAL DESCRIPTION

which property is included in the Dedication of a plat entitled

WADSWORTH 4045 CONDOMINIUMS

, recorded

at Reception

No.

in Planfile No.

at Film No.

We do hereby ratify, confirm and approve that Dedication of said plat as though our

signatures were included on the plat itself.

PARKER ROAD OFFICES, LLC, A COLORADO LIMITED LIABILITY COMPANY

By:

CALVIN J. VAN ESSEN, MANAGER

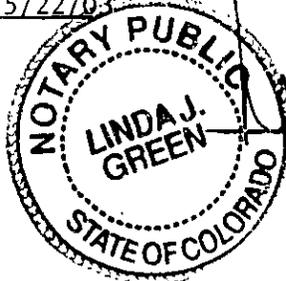
STATE OF COLORADO

COUNTY OF DENVER

The foregoing instrument was acknowledged before me this 25 day of
JULY 2001, 1996, by CALVIN J. VAN ESSEN, MANAGER OF PARKER
ROAD OFFICES, LLC, A COLORADO LIMITED LIABILITY COMPANY

Witness my hand and official seal.

My commission expires: 5/22/03



Notary Public

POTENTIAL DISCREPANCY
ARE OFFICIAL QUALITY

4045 Wadsworth Boulevard

LEGAL DESCRIPTION

Parcel A:

A part of the NE 1/4 SE 1/4 SW 1/4 of Section 23, Township 3 South, Range 69 West of the 6th P.M., described as follows:

Beginning at a point on the East line of said NE 1/4 SE 1/4 SW 1/4 which is 347.5 feet North of the Southeast corner thereof; Thence West at right angles 329.07 feet, more or less, to the center line of the NE 1/4 SE 1/4 SW 1/4 of said Section; Thence North parallel with the East line of said SW 1/4, 144 feet; Thence East at right angles, 329.07 feet, more or less, to the East line of said SW 1/4; Thence South along the said East line, 144 feet to the point of beginning,

except that portion thereof lying in existing Wadsworth Boulevard and as conveyed to Department of Highways by Deed recorded in Book 1191 at Page 180, County of Jefferson, State of Colorado

Parcel B:

That part of the NE 1/4 SE 1/4 SW 1/4 of Section 23, Township 3 South, Range 69 West of the 6th P.M., described as follows:

Beginning at a point on the East line of said NE 1/4 SE 1/4 SW 1/4 which is 491.5 feet North of the Southeast corner thereof; Thence West at right angles 329.07 feet, more or less, to the center line of the NE 1/4 SE 1/4 SW 1/4 of said Section; Thence North, parallel with the East line of said SW 1/4, 144 feet, more or less, to the South boundary line of West 41st Avenue; Thence East along the South boundary line of West 41st Avenue, 329.07 feet, more or less, to the East line of said SW 1/4; Thence South along said East line, 144 feet to the point of beginning, except that portion thereof lying in existing Wadsworth Boulevard and as conveyed to Department of Highways by Deed recorded in Book 1191 at Page 180, and

excepting from the Parcels A and B the following described tract of land:

A part of the NE 1/4 SE 1/4 SW 1/4 of Section 23, Township 3 South, Range 69 West of the 6th P.M., described as follows:

Beginning at a point on the East line of said NE 1/4 SE 1/4 SW 1/4 which is 347.5 feet North of the Southeast corner thereof; Thence West at right angles 319.07 feet, more or less, to the true point of beginning; Thence North 288.0 feet, more or less, to the South boundary line of West 41st Avenue; Thence West at right angles along the South boundary line of West 41st Avenue, 10.0 feet, more or less, to the centerline of the NE 1/4 SE 1/4 SW 1/4 of said Section; Thence South at right angles along the centerline 288.0 feet, more or less; Thence East at right angles 10.0 feet, more or less, to the true point of beginning,

excepting from the above descriptions that land conveyed to the City of Wheat Ridge under Deed recorded June 20, 1996 at Reception No. F0255828, County of Jefferson, State of Colorado