

CONDOMINIUM DECLARATIONS

OF

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MONIKA TOOB CLK&REC MESA COUNTY CO
REC FEE \$140.00 SURCHG \$1.00

GRACE PARK II CONDOMINIUMS

KNOW ALL MEN BY THESE PRESENTS:

THAT, WHEREAS, GRACE HOMES II, LLC, a Colorado limited liability company, hereinafter referred to as "Declarant", is the owner of the real property situated in the County of Mesa, State of Colorado, more particularly described as Exhibit A (hereinafter referred to as the "Real Property"); and

WHEREAS, Declarant desires to establish under the Colorado Common Interest Ownership Act and by this Declaration a plan for the ownership in fee simple of real property estates consisting of the area or air space contained in each of the apartment Units in the building improvements and the co-ownership by the individual and separate owners thereof, as tenants in common, of all of the remaining Real Property which is hereinafter defined and referred to as the Common Elements:

NOW, THEREFORE, Declarant does hereby publish and declare that the Real Property, Buildings, and improvements constructed and located on the land described in Exhibit A, are hereby submitted and dedicated to condominium use and ownership as set forth herein and the following terms, covenants, conditions, easements, and restrictions, uses, limitations, and obligations shall be deemed to run with the land, shall be a burden and benefit to Declarant, its successors and assigns and any person acquiring or owning an interest in the real Property and improvements, their grantees, successors, heirs, executors, administrators, devisees, or assigns.

1. **Definitions:** Unless the context shall expressly provide otherwise, the terms used herein shall have the following meaning:

- A. "Articles" means the articles of incorporation of the Association, the provisions of which are applicable to the Project.
- B. "Association of Unit Owners" or "Association" means the Grace Park II Condominium Association Inc., a Colorado corporation not for profit, its successors and assigns, the Articles and Bylaws of which shall govern the administration of the Condominium Project, the members of which shall be all of the Owners, including the Declarant.
- C. "Board" or "Board of Directors" means the governing body of the Association.
- D. "Building" means the several Buildings containing the Units as shown on the Map.
- E. "Bylaws" means the bylaws of the Association, the provisions of which are applicable to the Project.
- F. "Common Elements" means and includes all the land described in Exhibit "A" and all the improvements thereto and located thereon excluding Condominium Units. Common Elements shall be owned, as tenants in common, by the Owners of the separate Units, each Unit having an undivided fractional interest in such Common Elements as in hereinafter provided. Common Elements consist of, without limitation, the land, foundations, walls, hallways, stairways, entrances and exits, lobby, mechanical equipment areas, storage areas, roof, master television antenna system (whether leased or owned), pipes, ducts, air conditioner sleeves, electrical wiring and conduits (except pipes, ducts, electrical wiring and conduits situated entirely within a unit and serving only that unit), public utility lines, structural parts of the building, outside walks and driveways, landscaping and all other portions of the property except the individual units. Structural columns located within the boundaries of a unit shall be part of the common elements. Any references to "common elements" appearing on the plat (except references to limited

common elements) shall be deemed solely for purposes of general information and shall not be limiting in any way, nor shall any such reference define the common elements in any way.

- G. "Common Expenses" means and includes (i) expenses of administration, of operation and of management, of maintenance, repair or replacement of the Common Elements; (ii) expenses declared Common Expenses by the Association; (iii) all sums lawfully assessed against the Common Elements by the Board of Directors of the Association; and (iv) expenses agreed upon as Common Expenses by the Association of Units Owners.
- H. "Condominium Unit" means fee simple interest in title in and to a Unit, together with the individual interest in the Common Elements appurtenant to such Unit and all other rights and burdens created by this Declaration.
- I. "Declaration" means this document, together with all exhibits attached hereto, which document shall be recorded pursuant to Colorado Revised Statutes, as amended.
- J. "Guest" means any agent, employee, tenant, guest, licensee, or invitee of an Owner.
- K. "Limited Common Elements" means those part of the Common Elements which are either limited to and reserved for the exclusive use of an Owner or are limited to and reserved for the common use of more than one but fewer than all of the Owners as shown on the Map, which shall include by way of illustration and not limitation, patios, stairs, balconies, assigned mailboxes, assigned parking spaces and attached storage facilities, which are specifically designated as being appurtenant to a particular Unit.
- L. "Managing Agent" means the person employed by the Board to perform the management and operational functions of the Project.
- M. "Map", "Condominium Map" or "Supplemental Map" means and includes the engineering survey of the land depicting and locating thereon all of the improvements including individual air space units; the floor and elevation plans and any other drawing or diagrammatic plan depicting a part of or all of the improvements and land which are included in this Condominium Project. Declarant reserves the right to amend the Map, from time to time, to conform to same according to the actual location of any of the constructed improvements and to establish, vacate or relocate easements, and on-site parking areas.
- N. "Mortgage" shall mean any mortgage, deed of trust or other document pledging a Condominium Unit as security for the payment of a debt or obligation.
- O. "Mortgagee" shall mean any person, corporation, partnership, trust, company, association or other legal entity which takes, owns, holds or receives a Mortgage.
- P. "Owner" means a person, firm, corporation, partnership, association or other legal entity, or any combination thereof, who owns one or more Condominium Units but excluding, however, any such person having an interest therein merely as a Mortgagee (unless such Mortgagee has acquired fee simple title interest therein pursuant to foreclosure or any proceedings in lieu thereof.)
- Q. "Project" or "Condominium Project" means and includes all of the land, the Buildings, all improvements and structures thereon and all rights, easements and appurtenances belonging thereto submitted by this Declaration.
- R. "Unit" means an individual air space which is to be used for residential purposes, which is contained within the windows, doors (in their closed position) and the unfinished perimeter walls, floors, and ceilings of each Unit shown on the Condominium Map to be filed for record, together with all fixtures and improvements therein contained including a fireplace, if any, but not including any structural components of the Building or other portions of the Common Elements, if any, located within the Unit, and together with an

easement for vehicular and pedestrian ingress and egress across the Common Elements between the Unit and the nearest public street.

2. Limited Common Elements: Subject to the definition thereof, the Limited Common Elements shall be identified on the Map. Any patio, stairs, balcony, assigned parking space(s) and attached storage facility, which is accessible only from, associated with and which adjoin(s) a Unit shall, without further reference thereto, be used in connection with such Unit to the exclusion of the use thereof by the other Owners of the Common Elements, except by invitation, and shall be designated a Limited Common Element, together with the mailbox designated for such Unit. All of the Owners of the Condominium Units in this Condominium Project shall have a non-exclusive right in common with all of the other Owners to use of the sidewalks, recreational facilities, streets and drives located within the entire Condominium Project. No General or Limited Common Element shall be leased to the Owners or to the Association, nor shall the Common Elements be subject to any other restriction in favor of the Declarant or any affiliate of the Declarant. In addition to rights of use herein described and elsewhere described in this Declaration, the Association, its Board of Directors or its Managing Agent shall have an unrestricted, irrevocable easement to traverse, cross and utilize any portion of the Common Elements which may be necessary in order to maintain, repair or replace any Common Elements. Except as specifically hereinabove required, no reference thereto (whether such Limited Common Elements are exclusive or non-exclusive), need be made in any instrument of conveyance or other instrument in accordance with Paragraph of this Declaration.

3. Parking and Parking Spaces: Each Owner shall have the right to use one covered and one uncovered parking spaces for his Unit and shall also have a co-equal right to use the community parking for Guests and any additional Owners' parking. All parking shall be assigned by and be under the control of the Association, and the use thereof shall be subject to the rules and regulations adopted by the Board of Directors of the Association. Each Owner shall be responsible for keeping his two (2) assigned parking spaces clear of snow, debris and other obstructions.

4. Division of Property Into Condominium Units:

A. The Real Property described in Exhibit A including the improvements thereon is hereby divided into four (4) fee simple estates (Condominium Units). Each such estate shall consist of a separately designated Unit and the undivided interest in and to the Common Elements appurtenant to such Unit as set forth on Exhibit B attached hereto and incorporated by reference herein, which undivided interest may never be increased, but may be decreased based upon the number of annexations and enlargements of the project pursuant to Paragraph 35 hereof. Each Condominium Unit's appurtenant percentage of interest in the Common Elements shall never be less than 1.08695 nor more than 25.00.

B. In addition to the initial phase of the Condominium Project and subject to the limitations and requirements herein set forth, the Declarant shall have the absolute right, but not the obligation, to be exercised prior to seven (7) years from the date of recording this Declaration, to annex to the land and improvements described herein and thereby to subject to all of the provisions of this Declaration and the Colorado Common Interest Act, the land described on Exhibit C that is not included in Exhibit A, each exhibit attached hereto and incorporated herein.

On the recordation of an amendment or Supplemental Declaration to this Declaration and to the Condominium Map for the purpose of annexing the above referenced property in Mesa County, Colorado, together with the improvements heretofore or hereafter constructed thereon, each Unit owner shall have an undivided percentage interest in the Common Elements and common expenses equal to the percentage obtained by dividing 100 by the number of total units installed on the property described in "Exhibit A" and/or "Exhibit C." On the recordation of such amendment, the percentage interests here and elsewhere provided for shall be reallocated as set forth on Exhibit B hereto. Any deed for any Condominium Unit in the Project shall be delivered subject to these declarations and

because of such, are subject to a conditional limitation that the percentage interests appurtenant to such Condominium Unit shall be automatically reallocated *pro tanto* on the recordation of such amendments.

- C. The Declarant's development rights may be exercised with respect to different parcels of real property at different times. Declarant intends to exercise development rights according to the phasing proposal shown on the drawing attached hereto as Exhibit D: However, Declarant makes no assurances as to the portions and the order in which those portions may be subjected to the exercise of each development right. Exercise of a development right as to any portion of the real estate does not and shall not obligate the Declarant to exercise a development right as to any other portion of the remainder of the real estate that may be subjected to this Declaration.

- D. There is hereby reserved unto the Declarant an irrevocable power of attorney, coupled with an interest, for the purpose of reallocating the percentage interests and voting rights appurtenant to each of the Condominium Units in the Condominium in accordance with the provisions of the Declaration, and the Articles of Incorporation and Bylaws of Grace Park II Condominium Association, and to execute, acknowledge, and deliver such further instruments as may from time to time be required in order to accomplish the purposes of this subparagraph. Each owner and each mortgagee of a Condominium Unit in the Condominium shall be deemed to have acquiesced in the amendments to this Declaration and in amendments to the Condominium Map for the purposes of adding additional Condominium units, and Common Elements and Limited Common Elements to the Condominium in the manner set forth in this Article, and shall be deemed to have granted unto the said Declarant an irrevocable power of attorney, coupled with an interest, to effectuate, execute, and acknowledge and deliver any such amendments; and each such unit owner and mortgagee shall be deemed to have agreed and covenanted to execute such further instruments, if any, as may be required by the Declarant, their successors or assigns, to properly accomplish such amendments. Any improvements upon land annexed hereby shall be constructed of comparable style, floor plan, size and quantity of the original structures developed. Notwithstanding the foregoing, any annexation of additional lands is subject to the prior written consent of all mortgagees.

- 5. Inseparability of a Condominium Unit. No Restriction on Transfer: Each Unit and the undivided interest in the Common Elements appurtenant thereto shall be inseparable and may be conveyed, leased, rented or encumbered only as a Condominium Unit. There shall be no right of first refusal or similar restriction in favor of the Declarant, the Association, or the Owners upon any Condominium Unit.

- 6. Non-Partitionability of General Common Elements: The Common Elements shall be owned in common by all of the Owners of the Units and shall remain undivided. By the acceptance of this deed or other instrument of conveyance or assignment, each Owner specifically waives his right to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements and each Owner specifically agrees not to institute any action therefor. Further, each Owner agrees that this Paragraph 6 may be pleaded as a bar to the maintenance of such an action. A violation of this provision shall entitle the Association to personally collect, jointly and severally, from the parties violating the same, the actual attorney's fees, costs and other damages the Association incurs in connection therewith.

- 7. Description of Condominium Units:
 - A. Every contract for sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying Unit designation, followed by the words "Grace Park II Condominiums". The location of such Condominium Unit shall be depicted on the Map subsequently recorded. Upon recordation of the Condominium Map in the County of Mesa, Colorado, real estate records such description shall be conclusively presumed to relate to the thereon described Condominium Units.

B. After the Condominium Map and this Declaration have been recorded in the office of the Clerk and Recorder of the County of Mesa, Colorado, every contract, deed, lease, mortgage, trust deed, will or other instrument shall legally describe a Condominium Unit as follows:

Condominium Unit No. _____, 1101 East Carolina Avenue Condominiums, Grace Park II Condominiums, a Condominium in accordance with the Declaration recorded on _____, 199__, in Book _____ at Pages _____, and

Condominium Map recorded on February 27, 1998, in Plat Book 2 at Pages 112 - 113 of the Mesa County, Colorado, Clerk and Recorder's records.

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect not only the Unit, but also the undivided interest in the Common Elements appurtenant to said Unit and all other appurtenant properties and property rights, and shall incorporate all of the rights and burdens incident to ownership of a Condominium Unit and all of the limitations thereon as described in this Declaration and Condominium Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an Owner's Unit to the nearest public street, and the use of all the Limited Common Elements appurtenant to said Unit as well as all of the General Common Elements.

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

8. Ownership Title: A Condominium Unit may be held and owned by more than one person as joint tenants, or as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Colorado. Each individual unit estate sold shall be conveyed free and clear of all liens and any mortgage or deed of trust covering such unit shall be a first mortgage.

9. Separate Assessment and Taxation - Notice to Assessor: Declarant shall give written notice to the Assessor of the County of Mesa, State of Colorado, of the creation of Condominium ownership of this property as is provided by law, so that each Condominium Unit shall be deemed a separate parcel and subject to separate assessment and taxation.

10. Use of General and Limited Common Elements: Each Owner may use the Limited Common Elements and the General Common Elements with the other Condominium Unit Owners, and in accordance with the purpose for which they were intended. The Association may adopt rules and regulations governing the use of General and Limited Common Elements, provided such rules and regulations shall be uniform and non-discriminatory. Each Owner, by the acceptance of his deed or other instrument of conveyance or assignment, agrees to be bound by any such rules and regulations. All public safety and fire protection emergency services vehicles of government authorities having jurisdiction over the Project, together with all ambulance services, are hereby authorized to use the private streets in the Project.

11. Use and Occupancy:

A. Each Unit shall be occupied and used only as and for a single family residential dwelling for the Owner, his family or his Guests, or tenants; provided, however, the Declarant and its employees, representatives, agents and contractors may maintain business and sales offices, construction facilities and yards, model Units and other facilities on the Project during the period of sales of any Units of any phase of the Project, not to exceed ten (10) years from the date of records of this Declaration. Notwithstanding the above, the Association may use any Condominium Unit which it owns or leases as a business office

and/or residence for any on-site residential manager or custodian. No Unit shall be occupied for living or sleeping purposes by more persons than it was designed to accommodate safely. For the purposes of the foregoing sentence each Unit shall be deemed to have been designed to accommodate safely a maximum of (2) permanent occupants per bedroom.

- B. The Association is specifically authorized to establish parking, guest parking, and no parking areas. No parking shall be permitted on any street, drive or portion of the Common Areas unless specifically designated for parking by the Association. Without limiting the generality of the powers of the Association with respect to parking, the Association is hereby specifically authorized to have any vehicle parked in an area not designated for parking immediately removed at the expense of the Owners of the Unit who own such vehicle or whose guests, tenants or invitees own such vehicle. The expenses incurred by the Association in accomplishing such removal and storage (if necessary) shall become part of the Common Expenses levied against such Owners and their Unit.
- C. No Owner shall store or keep anywhere on the Property any large commercial-type vehicle. No Owner shall park, store or keep any recreational vehicle (including but not limited to any camper unit, house car or motor home), inoperable vehicle or other similar vehicle anywhere on the property, except where permitted. In addition, no Owner shall park, store or keep anywhere on the property any vehicle or vehicular equipment, mobile or otherwise, deemed by the Board to be a nuisance. Only passenger motor vehicles may be parked in the parking spaces which are a part of each Unit or on portions of the Common Areas designated for parking by the Association. Restoring or repairing vehicles shall not be permitted anywhere on the Property.

12. Easements for Encroachments and Utilities:

A. In the event that any portion of the Common Elements encroaches upon any other Unit, or upon any portion of the Common Elements, or in the event any encroachment shall occur in the future, as a result of: (i) construction, reconstruction, shifting, movement, or settling of any one of the Buildings; or (ii) construction, reconstruction, shifting, movement, alteration or repair to the Common Elements; or (iii) repair or restoration of the Buildings or Units, after damage by fire or other casualty, or condemnation or eminent domain proceedings; a valid easement not exceeding one (1) foot shall exist for the encroachment and for the maintenance of the same so long as the Building stands. In the event that any one or more of the Units, or the Building or other improvements composing part of the Common Elements are partially or totally destroyed and are then rebuilt or reconstructed in substantially the same location, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence, a valid easement for such encroachment not exceeding one (1) foot shall exist. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or on the Units for purposes of marketability of title or other purposes.

B. Each Condominium Unit and each interest in the undivided individual interest in the Common Elements and Common Area is subject to easements for the Association and the public utilities and special districts providing telephone service, electricity, gas, water, sewer and the cable television distributor to lay, construct, renew, operate, and maintain conduits, cables, pipes, wires, transformers, switching apparatus, and other equipment related to their services to the property, into and through the common elements and the units, where reasonably necessary for the purpose of providing utility service to the property, said easement for the benefit of all other Condominium units and the Association.

13. Reservation for Access - Maintenance, Repair and Emergencies: The Association shall have the irrevocable right to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repairing or replacement of the Common Elements therein, or at any time for making emergency repairs therein necessary to prevent damage to the General or Limited Common Elements or to another Unit. Damage to the interior or any part of

a Condominium Unit resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements, or as a result of emergency repairs within another Unit, at the instance of the Association, shall be a Common Expense of all of the Owners. No diminution or abatement of Common Expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements or from action taken to comply with any law, ordinance or order of a governmental authority. Restoration of the damaged improvements shall be substantially the same as the condition in which they existed prior to the damage. Notwithstanding the foregoing, if any such damage is the result of the carelessness or negligence of any Owner, then such Owner shall be solely responsible for the costs and expense of repairing such damage.

14. Mechanic's Lien Rights and Indemnifications: No labor performed or materials furnished and incorporated in a Unit with the consent of or at the request of the Owner thereof or his agent, or his contractor or sub-contractor, shall be the basis for filing of a lien against the Condominium Unit of any other Owner not expressly consenting to or requesting the same. Each Owner shall indemnify and hold harmless each of the Owners from and against all liability arising from the claims of any lien against the Condominium Unit of any other Owner for construction performed, or for labor, materials, services or products incorporated in the Owner's Unit at such Owner's express or implied request. The provisions herein contained are subject to the rights of the Association as set forth in Paragraph 17.

15. Nuisances: No nuisances shall be allowed or permitted upon the Project or any property in which the Association owns an interest, nor shall any use or practice which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the Project (or any property in which the Association owns an interest) by the residents thereof be allowed or permitted. 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, or any fire hazard allowed or permitted to exist. No Owner shall make or permit any use of his Unit, or make or permit any use of the Common Elements or any property in which the Association owns an interest which will increase the cost of insurance on the property.

No immoral, improper, offensive or unlawful use shall be made of the Project or any property in which the Association owns an interest, nor any part thereof, and all valid laws, zoning and other ordinances and regulations of all governmental bodies having jurisdiction shall be observed.

16. Administration and Management:

The administration of this Project shall be governed by this Declaration, the Articles and Bylaws of the Grace Park II Condominium Association, a Colorado not for profit corporation, hereinafter referred to as the "Association". An Owner of a Condominium Unit shall become a member of the Association upon conveyance to him of his Condominium Unit and shall remain a member for the period of his ownership. As shown and reserved in the Articles of Incorporation and Bylaws for the Association, the Declarant reserves the right of designation and appointment of the members of the Board of Directors.

The Association is granted all of the powers available to it under state law that are necessary to govern, manage, maintain, repair, administer and regulate the Project and is authorized to perform all of the duties required of it.

17. Maintenance and Service Responsibility:

A. Owner:

1. For maintenance purposes an Owner shall be deemed to own the interior non-supporting walls, floors and ceilings of his Unit, and fireplace, if any; the materials such as, but not limited to, plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile and flooring, and other materials which make up the finished surfaces of the perimeter walls,

ceiling and floors within the Unit; but not including the pipe, wire, conduits or systems (which are General Common Elements and for brevity are herein and hereafter referred to as "utilities") running through this Unit which serve one or more other Units except as a tenant in common with the other Owners. Such utilities shall not be disturbed or relocated by any Owner without the written prior consent and approval of the Board of Directors, and any such alteration, relocation, enlargement, addition or modification shall be at the Owner's expense, which expense shall include all expenses incurred by the Association in reference thereto.

2. An Owner shall maintain and keep in repair the interior of his Unit, including the fixtures, doors, windows and utilities located therein to the extent current repair shall be necessary in order to maintain the appearance of the Project and to avoid damaging other Condominium Units. All fixtures, equipment and utilities installed within the Unit commencing at a point where the fixtures, equipment and utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. An Owner shall do not act nor any work that will impair the structural soundness of the improvements or impair the proper functioning of the utilities, heating, air conditioning, if any, or plumbing systems or integrity of the Building or impair any easement or hereditament. An Owner shall always keep the front stoop, balcony and patio area adjoining and appurtenant to his Unit, and any other Limited Common Elements, appurtenant thereto, in a clean, orderly and sanitary condition, free of all snow, debris and other obstructions. The Owner of a Unit shall be responsible for the cost of electricity for the light bulbs of exterior light fixtures attached to his Unit, and for maintenance, repair and replacement of the mailbox of his Unit. The Association shall be responsible for replacing the light bulbs for extension lights.
3. Every Owner must perform promptly all maintenance and repair work within his own unit, which if omitted would affect the project in its entirety or in a part belonging to the other owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.
4. In the event that the need for maintenance or repair of a lot or the improvement thereon is caused through the willful or negligent acts of the its Owner, or through the willful or negligent acts of the family, guests, or invitees of the Owner of the Lot needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

B. Association:

1. The Association shall have the duty of maintaining and repairing all of the Common Elements, subject to the provisions in paragraph 17(A)(2), within the Project and the cost of said maintenance and repair shall be a Common Expense of all of the Owners. The Association shall not need the prior approval of its members to cause such maintenance or repairs to be accomplished, notwithstanding the cost thereof; provided, however, there shall be no additions, alterations or improvements of or to the Common Elements requiring an expenditure in excess of One Thousand Five Hundred Dollars (\$1,500.00) per expenditure nor in excess of Three Thousand Dollars (\$3,000.00) in the aggregate in any one calendar year without the prior approval of Owners representing sixty-seven percent (67%) of the Units. Such limitation shall not be applicable to the replacement, repair, maintenance or obsolescence of any General Common Element or common property.
2. The Association shall provide to the Owners the following services which shall be paid out of the Common Expense assessment, to-wit:
 - i. exterior painting and other exterior maintenance and repairs;

- ii. administration and management of the Project, including without limiting the generality of the foregoing the following:
 - a. enforcement of the covenants, conditions and restrictions set forth in the Declaration, Articles, Bylaws, and Association Rules and Regulations, together with enforcement of all obligations owed to the Association by the Owners,
 - b. acting as attorney-in-fact in the event of damage or destruction as provided in Paragraph 28 hereof,
 - c. performing all other acts required by this Declaration, or the Articles and Bylaws of the Association, and
 - d. maintenance of the property damage, fire and liability insurance and the bonds required in these Declarations;
 - iii. inspection, maintenance, and repair of private streets and parking areas, private walkways, private street and walkway lighting, lawns, fences and shrubbery;
 - iv. snow removal (except as provided in Paragraphs 3 and 17(A)(2));
 - v. irrigation and potable water; and
 - vi. trash collection services.
3. Notwithstanding the above, the Association reserves the right to hire one or more persons or entities, including a Managing Agent, contractors and employees to perform such services; provided, however, that any such contracts shall not be for a term in excess of one (1) year and shall provide that the same be terminated on thirty (30) days' written notice, with or without cause, at any time by either party and without payment of any termination fee. Such contracts may be renewable, upon agreement of the parties, for successive one (1) year periods.

18. Compliance with Provisions of Declaration, Articles, Bylaws and Regulatory Agreement: Each Owner, by acquiring an interest in a Condominium Unit, agrees to comply strictly with the provisions of this Declaration, the Articles, the Bylaws, the Regulatory Agreement, and the decisions, resolutions, rules and regulations of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Each Owner agrees that failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief, or both, and for reimbursement of all attorney's fees and costs incurred in connection therewith, which action shall be maintainable by the Association's Board of Directors in the name of the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner. Without limiting the generality of the foregoing, each Owner assumes a personal obligation to pay all assessments properly levied against such Condominium Unit, as set forth in Paragraph 21 below.

19. Owner Revocation or Amendment to Declaration: HUD/FHA-VA Approval Required:

- A. Subject to the Mortgage approval provisions set forth in Paragraph 26, this Declaration shall not be amended or revoked unless sixty-seven percent (67%) of members of the Association who are authorized to vote in person or by proxy consent and agree to such amendment or revocation by instrument duly recorded. The undivided interest in the Common Elements appurtenant to each Unit, as expressed in the Declaration and all supplements thereto and in any redetermination of such interests duly recorded pursuant to Paragraph 35, shall not be decreased without the consent of two-thirds (2/3) of the Unit Owners and sixty-seven percent (67%) of the Mortgagees as expressed in an amended Declaration duly recorded, although such interest in the Common Elements may be

increased if all of the additional Condominium Units, are not created, as set forth under Paragraph 35 concerning annexations. In determining whether the appropriate percentage of Mortgagee approval is obtained when so required by the terms of this Declaration, each Mortgagee shall have one (1) vote for each Mortgage owned.

- B. At least thirty (30) days prior to the effective date of any amendment to this Declaration, the Association shall notify the holders of all recorded first Mortgages of such amendment.
- C. As long as the Secretary of Housing and Urban Development may have an interest in the project, the following actions will require the prior approval of the Federal Housing Administration or the Veterans Administration or the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation: amending this Declaration of Covenants, Conditions and Restrictions; failing to allocate the minimum amount of money approved by and required by HUD annually for monthly payment to the reserve fund for replacements; making disbursements from the reserve fund for replacements; annexing additional properties, merging or consolidating; dedicating, leasing, mortgaging, or selling any real or personal property of the Corporation; executing any management contract; dissolving the Corporation; and amending these Articles or the Bylaws of the Corporation.

20. Insurance:

- A. The Board of Directors of the Association shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates established by the Colorado Insurance Commission, and written with companies licensed to do business in Colorado and having a Best's Insurance Report rating of Class VI or better, covering the risks set forth below. The Board of Directors of the Association shall not obtain any policy where:
 - (i) under the terms of the insurance company's charter, bylaws, or policy, contributions of assessments may be made against the mortgagor, Mortgagee or Mortgagee's designee; or
 - (ii) by the terms of carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which would prevent Mortgagees or the mortgagor from collecting insurance proceeds.
- B. The types of coverage to be obtained and risks to be covered are as follows, to-wit:
 - i. Fire insurance with extended coverage and all risks endorsements, which endorsements shall include endorsements for vandalism, malicious mischief, sprinkler leakage, debris removal, cost of demolition, windstorm and water damage. Said casualty insurance shall insure the entire condominium Project and any Property, the nature of which is a Common Element (including all of the Units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by Unit Owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. The policy shall have an Agreed Amount Endorsement or its equivalent, if available, or an Inflation Guard Endorsement. All policies shall be in amounts satisfactory to all first Mortgagees, and shall contain a standard non-contributory Mortgagee clause in favor of such first Mortgagee of a Condominium Unit, which shall provide that the loss, if any, thereunder shall be payable to the Grace Park Condominium Association for the use and benefit of first Mortgagees as their interests may appear. All policies of property insurance must provide that, despite any provisions giving the insurance carriers the right to elect to restore damage in lieu of a cash settlement, such option shall not be exercisable without the prior written approval of the Association.

- ii. Comprehensive public liability and property damage insurance in such limits as the Board of Directors of the Association may from time to time determine, but not in an amount less than \$500,000.00 per injury, per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the Project. Said policy shall also contain a "severability of interest endorsement".
 - iii. Worker's compensation and employer's liability insurance and all other similar insurance with respect to the employees of the Association, in the amounts and in the form now or hereafter required by law.
 - iv. The Association shall purchase, in an amount not less than one hundred fifty percent (150%) of the Association's estimated annual operating expenses and reserves, fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation, and shall name the Association as an obligee.
 - v. 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, including plate or glass insurance, and insurance against loss to any personal property of the Association located on the Project.
- C. All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Condominium Unit Owner and shall provide that such policies may not be canceled or modified without at least thirty (30) days' prior written notice to all of the insured, including Mortgagees. Duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all first Mortgagees at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming the Association as the insured, as attorney-in-fact and trustee for all of the Condominium Unit Owners, which policy or policies shall identify the interest of each Condominium Unit Owner (Owner's name and Unit number designation) and first Mortgagee.
- D. Prior to obtaining any policy of fire insurance or renewal thereof, the Board of Directors shall obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the entire Condominium Project, without deduction for depreciation, for the purpose of determining the amount of the insurance to be affected pursuant to the provisions of this insurance paragraph. In no event shall the insurance policy contain a co-insurance clause for less than the full replacement cost. Determination of maximum replacement value must be made at least bi-annually by one or more appraisals to be furnished by a person knowledgeable of replacement cost, and each Mortgagee shall be furnished with a copy thereof, within thirty (30) days after receipt of such appraisals. Such amounts of insurance shall be contemporized annually in accordance with their currently determined maximum replacement value.
- E. Unit 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 the liability of the carriers issuing insurance obtained by the Board of Directors shall not be affected or diminished by reason of any additional insurance carrier by any Unit Owner.
- F. Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of personalty or other property belonging to an Owner, and public liability coverage within each Unit, shall be the sole and direct

responsibility of the Unit Owner thereof, and the Board of Directors, the Association and/or the Managing Agent shall have no responsibility therefore.

21. Assessment for Common Expenses:
- A. 1. All owners shall be obligated to pay the estimated assessment by the Association to meet the Common Expenses attributable to the Property included in this Declaration. The assessment shall be made equally to each Unit. The Limited Common Elements shall be maintained as General Common Elements and Owners having exclusive use thereof shall not be subject to any special charges or assessments (except, however, this provision shall not impose upon the Association the obligation to clean or sweep, or remove snow from any of the Limited Common Elements). There shall be no division of the assessment charge between General and Limited Common Elements. Assessments for the estimated Common Expenses, including, at the option of the Association, insurance, shall be due and payable monthly in advance on the first day of each month. Assessments shall be delinquent and interest thereon at eighteen percent (18%) per annum shall commence effective the day after the due date. The Association shall prepare and deliver to each Owner periodic statements for the estimated expenses.
2. Assessments shall commence on the conveyance of the first Unit to an Owner by Declarant, and all units in the Phase shall be assessed, including those owned by Declarant.
- B. If the ownership of a Condominium Unit commences on a day other than the first day of a month, monthly assessments with respect to such Unit shall commence on the first day of the next month following the date such ownership commences.
- C. The assessments made for the Common Expenses shall be based upon the estimated cash requirements deemed to be the aggregate sums the Association shall from time to time determine is to be paid by all of the Owners including Declarant, to provide for payment of all estimated expenses growing out of or connected with maintenance and operation of the Common Elements which sum may including among other things, expenses of management; taxes and special assessments until separately assessed, if assessed by the Association; fire insurance with extended coverage and vandalism and malicious mischief insurance with endorsements attached in the amount of the maximum replacement value of all of the Condominium Units, including all fixtures, interior walls and partitions decorated and finished surfaces of perimeter walls, floors and ceilings, doors and windows and elements or materials comprising a part of the Unit; casualty and comprehensive public liability and other insurance premiums; landscaping and care of grounds; lighting for common areas; repairs and renovations; wages; water charges; legal and accounting fees; management fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; the payment of any deficit remaining from a previous period; the creation of reasonable contingency or other reserve, sinking or surplus funds; as well as other costs and expenses relating to the Common Elements.
- D. The omission or failure to fix the assessment or deliver or mail a statement for any period shall not be deemed a waiver, modification or a release of the Owners from their obligations to pay the same.
- E. The Association shall be obligated to establish a reserve fund for the maintenance, repair and replacement of those Common Elements that must be replaced periodically and such reserve fund shall be funded through the monthly payments of the Common Expenses and not by extraordinary special assessments.
- F. The portion of Common Expense assessments allocated to the payment of the Association blanket insurance policies shall be set aside in a special escrow account to be used solely for payment of such insurance policy premiums.
- G. Until January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment shall be Four Hundred Twenty Dollars per Unit:

From and after January 1, of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased effective January 1 of each year without a vote of the Owners either (i) in conformance with the rise, if any, of the All Items category of the Denver Consumer Price Index (published by the Department of Labor, Washington, D.C.) for the preceding month of July, or (ii) not more than five percent (5%) above the maximum annual assessment for the previous year, whichever is greater.

From and after January 1 of the year immediately following the conveyance of the first Unit to an Owner, the maximum annual assessment may be increased above that established by subparagraph (G)(1) above by a vote of sixty-seven percent (67%) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

H. Special Assessments. In addition to the regular assessments authorized by this paragraph, the Association may levy, in any assessment year, a special assessment, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the costs of any construction or reconstruction, unexpected repair or replacement of the capital improvements or any part thereof, or for any other expense incurred or to be incurred as provided in this Declaration, provided that any such special assessment shall have the assent of sixty-seven percent (67%) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose. This section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other sections hereof. Any amounts assessed pursuant hereto shall be assessed equally to each of the Units. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notices shall have been given. A special assessment, and any installment thereof, shall bear interest at the rate of eighteen percent (18%) per annum from the date it becomes due and payable if not paid within thirty (30) days after such date.

22. Owner's Obligation for Payment of Assessment: The amount of the expenses assessed by the Association against each Condominium Unit shall be the personal and individual debt of the Owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same. No Owner may exempt himself from liability for his contribution toward the Common Expenses by a waiver of the use of enjoyment of any of the Common Elements or by abandonment of his Unit.

23. Lien for Non-Payment of Assessments:

All sums assessed by the Association but unpaid by the Owner of any Condominium Unit, including interest thereon at eighteen percent (18%) per annum commencing the first day after the due date, shall constitute a lien on such Unit superior (prior) to all other liens and encumbrances, except only for all sums unpaid on a first Mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance, and including additional advances made thereon prior to the arising of such lien, and except for tax and special assessment liens in favor of a governmental assessing entity.

To evidence such lien for unpaid assessments, the Association shall prepare a written notice setting forth the amount, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such notice shall be signed on behalf of the Association and by an officer of the Association and shall be recorded in the Office of the Clerk and Recorder of Mesa County. Such lien shall attach from the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure by the Association of the defaulting Owner's Condominium Unit in like manner as Mortgages on real property; however, a lawsuit to recover

a money judgment for unpaid assessment shall be maintainable without foreclosing or waiving this lien. The lien provided herein shall be in favor of the Association. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs, expenses and attorney's fees for filing the Notice or claim of lien, and all reasonable attorney's fees in connection with such foreclosure. The Owner shall also be required to pay to the Association the monthly assessment for the Condominium Unit during the period of foreclosure and the Association shall be entitled to a receiver to collect the same. The Association, on behalf of the Unit Owners, shall have the power to bid the Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey same.

Declarant states, that it is possible that liens, other than mechanic's liens, assessment liens and tax liens, may be obtained against the Common Elements, including judgment liens and mortgage liens.

24. Liability for Common Expenses Upon Transfer of Condominium Unit:

A. Upon payment of a reasonable fee not to exceed Thirty Dollars (\$30.00) and upon the written request of any Owner, prospective Owner, any Mortgagee or any prospective Mortgagee of a Condominium Unit, the Association shall issue a written statement setting forth the amount of the unpaid expenses, if any, assessed to such Unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for advanced payments or for prepaid items, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid Common Expenses which become due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement.

B. The grantee of a Unit, including a first Mortgagee, who comes into possession of a Condominium Unit pursuant to the remedies provided in its Mortgage or becomes an Owner of a Condominium Unit pursuant to foreclosure or its Mortgage or by the taking of a deed in lieu thereof, or any purchaser at a foreclosure sale, shall be jointly and severally liable with the grantor for unpaid assessments against the latter for the grantor's proportionate share of expenses up to the time of the grant or conveyance of a Unit, unless the grantee expressly assumes such liability. Any such express assumption shall be without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefore. Notwithstanding the terms and provisions set forth above, no first Mortgagee shall be liable for any unpaid Common Expense or special assessment accruing prior to the time such Mortgagee becomes the Owner of any Condominium Unit whether by way of foreclosure or any proceedings in lieu thereof, but will be liable for those thereafter. Any such unpaid assessments shall become a Common Expense to be collected equally from all Owners including such grantee, his successors and assigns.

25. Mortgaging a Condominium Unit - Priority: Any Owner shall have the right from time to time to Mortgage or encumber his interest in a Condominium Unit by deed of trust, Mortgage or other security instrument. A first Mortgage shall be one which has first and paramount priority under applicable law. Any Owner may create junior Mortgages on the following conditions: (i) that any such junior Mortgages shall always be subordinate to all terms, conditions, expenses and other obligations created by this Declaration and by the Bylaws; and (ii) that the Mortgagee under any junior Mortgage shall release, for the purpose of restoration of any improvements upon the mortgaged premises, all of his right, title and interest in and to the proceeds under all insurance policies upon said premises, which insurance policies were affected and placed upon the mortgaged premises by the Association. Such release shall be furnished forthwith by a junior Mortgagee upon written request of the Association and, if not granted, may be executed by the Association as attorney-in-fact for such junior Mortgagee.

26. Mortgagee Rights:

In the event there is any conflict between this Paragraph 26 and any other provision of

this Declaration, the Articles, the Bylaws or the Rules and Regulations of the Association with respect to the approval of the Mortgagees as to those matters set forth in this Paragraph 26, the provisions of this Paragraph 26 shall govern.

- A. The prior written approval of eligible holders of a first Mortgage lien on Units in the Project shall be required for the following, in the percentage of total units set forth below. "Eligible holder" shall mean a holder of a first mortgage which has requested that the Association be given timely written notice of any events described below:
1. Sixty-seven percent (67%) of all for: i) restoration or repair of the condominium after partial condemnation, or damage due to an insurable hazard not in accordance with the original plans and specifications; ii) the abandonment or termination of the Project, except for abandonment or termination provided by law in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation or eminent domain; iii) for the reallocation of common and limited common elements following partial or total taking by condemnation or partial or total destruction of the condominium or the Project; iv) change the pro-rata interest or obligations of individual Condominium Units for the purpose of levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or determining the pro-rata share of ownership of each Condominium Unit in the Common Elements; and v) to use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.
 2. Fifty-one percent (51%) of the holders of first mortgages all for any material amendment to this Declaration, the Articles or the Bylaws of the Association. For the purposes of this Declaration, "material amendment" means and includes any change to the provisions thereof for voting; assessments, assessment liens or subordination of such liens; reserves for maintenance, repair and replacement of the common elements; insurance or fidelity bond requirements; rights to use of the common elements; responsibility for maintenance and repair of the condominiums; expansion or contraction of the condominium regime or the addition, annexation or withdrawal of property to or from the regime except as provided in this Declaration; boundaries of any unit; interests in the general or limited common elements; convertibility of units into common elements or common elements into units; leasing of units; imposition of any right of first refusal or similar restriction on the right of a unit owner to sell, transfer or otherwise convey the owner's unit; and establishment of self-management by the Association where professional management has been required by any agency.
- B. No Unit in the Project may be partitioned or subdivided without the prior written approval of the holder of the first Mortgage lien on such Unit.
- C. Any institutional holder of first Mortgage on a Unit in the Project will, upon request, be entitled to i) inspect the books and records of the Project including copies of the current Declaration, Articles, Bylaws, and books and records of the Association during normal business hours; ii) receive an annual audited financial statement of the Project within ninety (90) days following the end of any fiscal year of the Project; and iii) written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings.
- D. Each Owner and each first Mortgagee of a Condominium Unit has the right to examine copies of the current Declaration, Articles, Bylaws, and books and records of the Association at any reasonable time.
- E. In the event of substantial damage to or destruction of any Unit in excess of One Thousand Dollars (\$1,000.00), or any part of the Common Elements in excess of Ten Thousand Dollars (\$10,000.00), the institutional holder of any first Mortgage on a Unit shall be entitled to timely written notice of any such damage or destruction, and no

Owner of a Unit or other party shall have priority over such institutional holder with respect to the distribution to such Owner of any insurance proceeds.

- F. If any Unit or portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, then the holder of any first Mortgage on a Unit will be entitled to timely written notice from the Association of any such proceeding or proposed acquisition and no Owner or other party shall have priority over such institutional holder with respect to the distribution to such Owner of the proceeds of any award or settlement.
 - G. Each holder of a first Mortgage lien who comes into possession or title to a Unit by virtue of foreclosure or any purchase at a foreclosure sale, shall take the Unit free of any claims for unpaid assessments and charges against the Unit which accrued and were payable prior to the time such holder comes into possession of or acquires title to the Unit, except for claims for a pro-rata share of such assessment or charges resulting from a pro-rata reallocation of such assessments or charges to all Units including the mortgaged Unit.
 - H. At the request of a Mortgagee of a Unit, the Association shall report any unpaid assessments due from the Owner of such Unit.
 - I. Any holder of a lien on a Condominium Unit may, but shall not be required to, pay any unpaid Common Expense payable with respect thereto and upon such payment, such encumbrance shall have a lien on such Unit for the amounts paid, of the same rank as the lien of his encumbrance, without the necessity of having to record a notice or claim of such lien.
 - J. Upon request of a Mortgagee, the Association shall report in writing to the Mortgagee of a Condominium Unit any unpaid assessment remaining unpaid for more than thirty (30) days after due, or other default of any covenant, condition, obligation or term of this Declaration not cured within thirty (30) days, provided, however, that a Mortgagee shall have furnished to the Association notice of such encumbrance.
 - K. The Association, upon request of any Mortgagee, shall furnish evidence that all taxes, real estate assessments and charges shall relate only to an individual Condominium Unit and not to the Condominium Project as a whole.
 - L. Notwithstanding Paragraph 14, any Mortgagee of a Condominium Unit who shall become the Owner of such Unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims for labor or materials provided and incorporated into such Unit where such claims arise from such labor performed or materials supplied prior to the date such Mortgagee becomes an Owner of such Unit, but shall be under such obligation for any claims thereafter.
27. Association - Attorney-in-Fact:

This Declaration does hereby make mandatory the irrevocable appointment of an attorney-in-fact to deal with the property upon its damage, destruction or obsolescence. Title to any Condominium Unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute appointment of the attorney-in-fact herein provided. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with their property upon its damage, destruction or obsolescence as is hereafter provided. As attorney-in-fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a Condominium Unit Owner which may be necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraph means restoring the improvements to

substantially the same condition in which they existed prior to the damage, with each Unit and the General and Limited Elements having the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration or replacement as it provided hereinafter.

- A. In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvements, shall be applied by the Association, as attorney-in-fact, to such reconstruction, and the improvements shall be promptly repaired and reconstructed. The Association shall have full authority, right and power, as attorney-in-fact, to cause the repair and restoration of the improvements.
- B. If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is not more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this Project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the Owners and their Condominium Units. Such special assessment shall be a Common Expense and made equally to each Unit and shall be due and payable no earlier 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 improvements, using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the assessment. The assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit and may be enforced and collected as is provided in Paragraph 23. The Association as attorney-in-fact, shall have the absolute right and power pursuant to a judicial foreclosure to sell the Condominium Unit of any Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Condominium Unit of the delinquent Owner shall be sold by the Association. The delinquent Owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate of eighteen percent (18%) per annum, and all reasonable attorney's fees. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact for the same purposes and in the same order as is provided in subparagraph (B) of this paragraph.
- C. The Owners representing an aggregate ownership of sixty-seven percent ((67%) of the Condominium Units in this Project may agree that the Common Elements are obsolete and adopt a plan for the renewal and reconstruction, which plan must have the approval of Mortgagees as set forth in Paragraph 26. If a plan for the renewal or reconstruction is adopted, notice of such plans shall be recorded, and the expense 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 or reconstruction. The Association as attorney-in-fact, shall have the absolute right and power pursuant to a judicial foreclosure to sell the Condominium Unit of any Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Condominium Unit of the delinquent Owner shall be sold by the Association. The delinquent Owner shall be required to pay to the Association the costs and expenses for filing the notices, interest at the rate of eighteen percent (18%) per annum, and all reasonable attorney's fees. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact for the same purposes and in the same order as is provided in subparagraph (B) of this paragraph.
- D. The Owners representing an aggregate ownership of two-thirds (2/3) of the Condominium Units may agree that the Condominium Units are obsolete and that the same should be sold. Such plan or agreement must have the approval of Mortgagees as set forth in Paragraph 26. In such instance, the Association shall forthwith record a notice setting forth such facts and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire Project shall be sold by the

Association, as attorney-in-fact, for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, the Articles, the Bylaws and the Regulatory Agreement. The sale proceeds shall be apportioned among the Owners, subject to the provisions of Paragraph 35 concerning annexations, on the basis of one (1) share for each Unit, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Association and shall be further identified by the Condominium Unit designation and the name of the Owners. From each separate account, the Association, as attorney-in-fact, shall use and disburse the total amount of each of such accounts, without contribution from one account to another, for the same purposes and in the same order as is provided in subparagraph (B) of this paragraph.

- E. The Association shall be under a fiduciary duty to use all funds available to it for repair and restoration of all or any portion of the Project which has suffered damage for the joint benefit of the Owners and first Mortgagees having an interest in such damaged Property. Prior to commencement of and throughout the period of repairs or restoration work (except in the event of emergency repairs), the Association shall make available at the Project and the Association's offices, for inspection and copying during normal business hours the plans, specifications, drawings, bid documents and other such information as the Association may have pertaining to the repair or restoration.

28. Condemnation:

If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration, all or any part of the Condominium Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this Paragraph 28 shall apply:

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

B. Complete Taking:

In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners on the same basis of each Condominium Unit Owner's interest in the Common Elements, provided however, that if a standard different from the value of the Property 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.

On the basis of the principle set forth in Paragraph 28, the Association shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Paragraph 28.

C. Partial Taking:

In the event that less than the entire Condominium Project is taken or 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 the Association shall reasonably and in good faith, allocate the Condemnation Award between compensation, damages or other proceeds and shall apportion the amounts so allocated among the Owners as follows: (i) the total amount allocated to taking of or injury to the Common Elements, shall be apportioned among the Owners on the basis of each Owner's interest respectively in the Common Elements; (ii) the total amount allocated to severance damages shall be equitably apportioned to those Condominium Units which were not taken or condemned; (iii) the respective amounts allocated to the taking of

or injury to a particular Unit and to the improvements an Owner has made within his own Unit shall be apportioned to the particular Unit involved; and (iv) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determined to be equitable in the circumstances. 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. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner as provided in this Paragraph 28. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association, 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 equally among the remaining Units and shall submit such reallocation to the Owners and to first Mortgagees of remaining Units for amendment of this Declaration as provided in Paragraph 19.

29. Additional Property for Common Use: The Association may acquire and hold for the benefit of the Condominium Owners, real property, and tangible and intangible personal property, and may dispose of the same, by sale or otherwise, and the beneficial interest in any such property shall be owned by the Condominium Owners in the same proportion as their respective interests in the Common Elements and shall not be transferable except with a transfer of a Condominium Unit. A transfer of a Condominium Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such real or personal property without any reference to inclusion of a Bill of Sale. Each Owner may use such real and personal property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of the other Owners. Sale of a Condominium Unit under foreclosure shall thereby entitle the purchaser thereof to the beneficial interest in the real and personal property associated with the foreclosed Condominium Unit. The Owners of each Condominium Unit shall have a perpetual non-exclusive easement in common with all other Condominium Unit Owners in this Condominium Project giving them the right to beneficial use and enjoyment of any recreational facilities which the Association acquires and holds, either by purchase or by gift, and for walkways, vehicular access and parking and any other Common Element as set forth on the Condominium Map and in this Declaration, subject, however, to reasonable regulations adopted and amended by the Association.

30. Registration by Owner and Association of Mailing Address. Notice to Owners: Each Owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon an Owner shall be given by personal delivery to each unit or sent by either registered or certified mail, postage prepaid and addressed in the name of the Owner of such registered mailing address. All notices, demands or other notices intended to be served upon the Association shall be sent by certified mail, postage prepaid, to the Grace Park II, 1005 N. 12th St., #211, Grand Junction, Colorado 81501, until such address is changed by a legal notice of address change duly recorded in the Office of the Clerk and Recorder, County of Mesa, State of Colorado.

31. Period of Condominium Ownership: The separate Condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as provided in Paragraph 27 of this Declaration or until terminated in the manner and as is provided in subparagraphs (C) or (E) of Paragraph 27 of this Declaration.

32. Restrictive Covenants:

A. The Property is hereby restricted to residential dwellings for residential use and uses related to the convenience and enjoyment of such residential use. No structures of a temporary character, trailers, boats, campers, camper shells, inoperative motor vehicles, tents, shacks, garages, barns or other out-buildings shall be used or permitted to be kept or stored on any portion of the premises at any time, either temporarily or permanently, except as provided for in any recreational vehicle parking area that may be provided.

- B. Notwithstanding any provision herein contained to the contrary, it shall be expressly permissible for the Declarant, his agents, employees and contractors, to maintain during the period of sale of the Condominium Units, upon such portion of the Property as Declarant may choose, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the sale of Condominium Units and interests, including, but without limitation, a business office, storage area, signs, model Units, sales office, parking areas and lighting during any construction and marketing period.
- C. No animal, livestock, reptile or poultry of any kind shall be raised, bred or kept on the Property, except that pet birds and not more than two (2) domesticated pet dogs or cats may be kept on the premises at a Unit, subject to all County of Mesa, Colorado animal ordinances and subject to rules and regulations from time to time adopted and amended by the Association; provided, however, that such pets are not kept for commercial purposes. An Owner is responsible for all damage caused by his animal(s). No animal which disturbs any Owner shall be allowed to remain tied or chained to any balcony, patio or other parts of the Condominium Unit and any such animal(s) so tied or chained may be removed by the Association or its agents.
- D. No advertising signs (except one not more than one square foot "For Rent" or "For Sale" sign per Unit), billboards, unsightly object, or nuisances shall be erected, placed or permitted to remain on the premises of a Unit or the Common Elements, nor shall the premises be used in any way or for any purpose which may endanger the health or unreasonably disturb the Owner of any Condominium Unit or any resident thereof. Further, no business activities of any kind whatever shall be conducted in the Buildings or in any portion of the Project. Provided further, however, the foregoing covenants shall not apply to the business activities, signs and billboards or the maintenance of Buildings and improvements, if any, of the Declarant, its agents, contractors, and assigns during the marketing period, and of the Association, its successors and assigns, in furtherance of its powers and purposes as hereinafter set forth.
- E. All garbage cans, wood piles, or similar items shall be kept screened so as to conceal them from view of neighboring Units and streets. All rubbish, trash or garbage shall be regularly removed from the property by the Owner to the designated trash bins, and shall not be allowed to be accumulated thereon.
- F. Except in the individual balcony and patio areas, no planting or gardening shall be done, and no fences, hedges or walls shall be erected or maintained upon said Property, except such as are installed in accordance with the initial construction of the Buildings located thereon and those added to the Project or as approved by the Declarant or the Board of Directors. No gardening or maintaining of any tree, shrub, bush or other plant shall be made or done by any Owner in any patio area which will or would affect the view of any other Owner without the prior written approval of the Declarant or Board of Directors.
- G. Any screen door or storm door installed over the front door of a Unit must have the same color as the Unit's front door. No window air conditioning units, or visible antenna, shall be installed in or on any Condominium Unit.
- H. No Condominium Unit may be leased for an initial term of less than thirty days, and such leases shall be subject to the terms and conditions of the Declaration(s) and the Association Articles and Bylaws.
33. Architectural Control:
- A. Review of Plans. No building, fence, wall, canopy, awning, structure or improvement shall be commenced, erected, altered, moved, removed or maintained upon the Project or any portion thereof, nor shall any exterior additional to, or change or alteration thereof be made until the plans and specifications showing the nature, kind, shape, height, materials,

location and approximate cost of the same shall have been submitted to and approved in writing by the Board of Directors as to harmony of external design and location in relation to surrounding structures and topography.

- B. Procedures. The Board of Directors shall approve or disapprove all plans and requests within thirty (30) days after submission. In the event the Board of Directors fails to take any action within thirty (30) days after requests have been submitted, approval will not be required and this Paragraph 34(C) will be deemed to have been fully complied with.
 - C. Majority Vote. A majority vote of the Board of Directors is required for approval or disapproval of proposed amendments.
 - D. Written Records. The Board of Directors shall maintain records of all applications submitted to it and of all actions it may have taken.
 - E. No Liability. Each Owner hereby agrees that the Board of Directors shall not be liable for damages to any person submitted requests for approval or to any Owner with the Properties by reason of any action, failure to act, approval, disapproval, or failure to approve or disapprove with regard to such requests.
 - F. Reservation of Rights to Exercise by Declarant. Notwithstanding any other provision expressly or impliedly to the contrary contained in this Declaration, the Articles, the Bylaws, the Rules and Regulations, Declarant reserves the right to exercise the rights, duties and functions of the Board of Directors until such time as owner-elected Directors are a majority of the Board of Directors.
34. Acceptance of Provisions of All Documents: The conveyance or encumbrance of a Condominium Unit shall be deemed to include the acceptance of all of the provisions of this Declaration, the Articles, the Bylaws, and if any in effect, the Regulatory Agreement, Rules and Regulations and Management Agreement and shall be binding upon each grantee without the necessity or inclusion of such express provision in the instrument of conveyance or encumbrance.
35. Reservation to Enlarge and Supplement Project:
- A. Annexation by Declarant. Declarant, for itself, its successors and assigns, expressly reserves, until ten (10) years from the date of the recording of this Declaration, the right to enlarge this Project (without the permission of the Owners) by annexing additional real property described in Exhibit C which is not included in Exhibit A, each exhibit attached hereto and by this reference incorporated herein, by declaration of no more than 88 additional Condominium Units in phases. Such additions shall be expressed in and by a duly recorded supplement to this Declaration and the Map. All additional Common Elements and Units shall be of comparable quality and similar appearance to those previously erected upon the Real Property. The reference to the Declaration in any instrument shall be deemed to include any supplements to the Declaration without specific reference thereto. As long as the Secretary of Housing and Urban Development has any interest in the Units or Property located in the development area, all annexations of additional property to this Project, mergers and consolidations must have the prior written approval of the Federal Housing Administration or the Veterans Administration.
 - B. Standards Use. Such supplements to this Declaration shall provide for a division of such annexed real property and improvements into Condominium Units and Common Elements similar to method and form to the division made of the Real Property and improvements in this Declaration.
 - C. Common Expenses. In order that the Common Expenses of this Project, including all supplemental declarations hereto, shall continue to be shared equally and equitably by the Owners of the initially submitted Condominium Units and the Owners of all subsequently

submitted additional Condominium Units, the Common Expenses shall be equally shared in accordance with the following formula: to determine the share of the Common Expense for each Condominium Unit, multiply the total amount of the Common Expenses by a percentage obtained by dividing 100 by the number of total units installed on the property described in "Exhibit A" and/or "Exhibit C".

- D. Yoting Rights. The Owners of each Unit now or hereafter declared shall be entitled to collectively cast one (1) vote at any election or meeting of the Association members in accordance with the Articles and the Bylaws of the Association. The Owners of a Unit shall determine among themselves how such vote shall be cast. Fractional votes may not be cast by Owners.
- E. Determination of Interests in Common Elements. The Declarant acknowledges that the initial allocation of an interest in the Common Elements appurtenant to each Unit is based upon the Common Elements within the area described on Exhibit A, and within each phase, and upon the expectation that all phases of the Project will be completed. As such, until all 92 Condominium Units have been declared, one hundred percent (100%) of the interests in the Common Elements will not have been allocated until all of such Units have been declared. Therefore, until declaration of all 92 Condominium Units or a redetermination of such interests as provided below, if and when it is necessary to allocate insurance, sales or condemnation proceeds (or for any other purpose) among the Units and their Mortgagees according to their interests in the Common Elements, such allocation shall be determined on the basis of one share per Unit counting only those Condominium Units presently declared under this Declaration and all supplements of record as of the time of the occurrence of the event giving rise to such an allocation.
- F. A final recomputation of the interests of the Condominium Units in the Common Elements shall also occur as the result of termination of Declarant's right to enlarge the Project pursuant to this Paragraph 35 for any of the reasons set forth below:
- i. the Declarant has executed and recorded its Notice of Termination of Declarant's Right of Annexation, which Notice shall state that the Declarant hereby releases and waives its right to enlarge and annex additional property to the Project pursuant to this Paragraph 35, and which Notice shall include a final schedule of one hundred percent (100%) of the Common Elements allocated equally among the declared Units existing as of the time of execution of such Notice; or
 - ii. within eighteen (18) months after Declarant has conveyed the last Condominium Unit it owned as part of the Declaration and all subsequent supplemental declarations, if the Declarant shall have failed to record with the County of Mesa, Colorado a supplemental declaration declaring additional Condominium Units pursuant to Paragraph 35; or
 - iii. ten (10) years shall have elapsed since the day this Declaration was recorded with the County of Mesa and less than the entire 92 Condominium Units contemplated shall have been declared by execution and recording of this Declaration and supplemental declarations thereto.

Upon the occurrence of event (ii) or (iii), within thirty (30) days thereafter the Association shall prepare and record pursuant to this Paragraph 35, a schedule setting forth a final, recomputed equal allocation of interest in the Common Elements among the Condominium Units then declared and existing.

G. General Terms:

Except as may be otherwise specifically provided by the provisions of such supplement(s) to this Declaration, all of the provisions contained in this Declaration shall be applicable to such additional Condominium Units submitted to the Project.

Each Owner shall have the non-exclusive right, together with all other Owners, to use all Common Elements, open spaces, recreational facilities, grass and landscaping areas, sidewalks, pathways, private streets, and all other areas in the Project, and any supplements or additions thereto, owned by the Association, subject to the reasonable rules and regulations that the Association may enact pursuant to its lawful powers.

36. Statutory Matters Not Set Forth Elsewhere.

- A. Grace Park II Condominiums is a condominium project as defined in the Colorado Common Interest Community Act, Article 33.3 of Title 38, 16A C.R.S.
- B. The descriptions of all limited common elements, all common elements and the boundaries of each unit is described in the Plat of 1101 East Carolina Condominiums, Grace Park II Condominiums, Part of Grace Park Planned Development located in the SW 1/4 of Section 15, T1N, R2W U.M., City of Fruita, Mesa County, Colorado recorded in the records of the Mesa County Clerk and Recorder Plat Book No. 2 at Page 112-113 on the 2nd day of March, 1998.
- C. The recording data for recorded easements and licenses appurtenant thereto the common interest community is or may be subject to under reservations set forth above are contained in the Plat of the Property, recorded in Plat Book 13, at Pages 84, and there is an easement which may affect the property recorded in Book 2094 at Page 237.
- D. Declarant hereby gives notice of Declarant's intent to utilize the easement through the common elements defined in 38-33.3-218, 16A C.R.S. as it exists on the date hereof.
- E. Within thirty days after adoption of any proposed budget for the common interest community, the Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of the budget to all the Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than fourteen nor more than sixty days after mailing or other delivery of the summary. Unless at that meeting a majority of all Owners or any larger percentage specified in the declaration reject the budget, the budget is ratified, whether or not a quorum is present. In the event that the proposed budget is rejected, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the executive board.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 27th day of February, 1998.

GRACE HOMES II, LLC

By: Darin Carei
Member Darin Carei

By: Terry Lawrence
Member Terry Lawrence

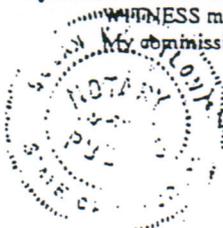
STATE OF COLORADO

COUNTY OF MESA

ss.

The foregoing Declaration of Covenants, Conditions, and Restrictions of GRACE PARK II CONDOMINIUMS, was subscribed and sworn to before me this 27th day of February, 1998, by DARIN CAREI and TERRY LAWRENCE as Members of GRACE HOMES II, LLC.

WITNESS my hand and official seal.
My commission expires: July 19, 2000.



Susan K. Poloni
Notary Public

EXHIBIT A
GRACE PARK II CONDOMINIUMS

Part of Grace Park Planned Development located in the SW 1/4 of Section 15,
T1N, R2W U.M., City of Fruita, Mesa County, Colorado

Description of 1101 East Carolina Avenue Condominiums Parcel

A parcel of land located in the SW 1/4 of Section 16, T1N, R2W of the Ute Meridian in Mesa County, Colorado and being more specifically described as follows:
Beginning at a point which bears S89°48'37"E 30.00 feet and S00°09'19"W 90.06 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence S89°50'41"E 108.32 feet; thence S00°09'19"W 87.42 feet to a point on the North line of East Carolina Avenue; thence following the North line of Carolina Avenue the two following courses and distances: N89°50'41"W 88.32 feet to a point of curvature; thence along the arc of a curve to the right having a radius of 20.00', through a central angle of 90°00'00", whose long chord bears N44°50'41"W 28.28 feet, 31.42 feet along the arc of said curve to a point of tangency; thence leaving said North line of East Carolina Avenue N00°09'19"E 67.42 feet along the East line of 18 Road to the true point and place of beginning containing 0.215 acres, more or less.

Description of the 1101 East Carolina Condominiums Building Envelope

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 155.00 feet, and S89°50'41"E 27.00 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence N4°51'41"W 56.00 feet; N85°02'19"E 40.00 feet; thence S4°51'41"E 56.00 feet; thence S85°02'19"W 40.00 feet to the true point of beginning containing 2240 square feet, more or less.

Air Space Description for Unit 1, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 127.42 feet, and S89°50'41"E 24.91 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence N85°02'19"E 31.34 feet; thence S4°51'41"E 9.98 feet; thence N85°02'19"E 8.00 feet; thence S4°51'41"E 17.33 feet; thence S85°02'19"W 39.34 feet; thence N4°51'41"W 27.31 feet to the true point of beginning, said unit lying between the elevations of 4523.55 and 4531.55 based on the North rim elevation of a manhole in Carolina Avenue on the South side of 1029 Carolina Avenue.

Description for LCE Parking for Unit 1, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 90.06 feet, S89°50'41"E 76.32 feet and S00°09'19"W 60.00 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence S89°50'41"E 20.00 feet, thence S00°09'19"W 20.00 feet; thence N89°50'41"W 20.00 feet, thence N00°09'19"W 20.00 feet to the true point of beginning.

Air Space Description for Unit 2, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 99.51 feet, and S89°50'41"E 22.46 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence N85°02'19"E 39.34 feet; thence S4°51'41"E 17.33 feet; thence S85°02'19"W 8.00 feet; thence S4°51'41"E 9.98 feet; thence S85°02'19"W 31.34 feet; thence N4°51'41"W 27.31 feet to the true point of beginning, said unit lying between the elevations of 4523.55 and 4531.55 based on the North rim elevation of a manhole in Carolina Avenue on the South side of 1029 Carolina Avenue.

Description for LCE Parking for Unit 2, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 90.06 feet, S89°50'41"E 76.32 feet and S00°09'19"W 40.00 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence S89°50'41"E 20.00 feet, thence S00°09'19"W 20.00 feet; thence N89°50'41"W 20.00 feet, thence N00°09'19"W 20.00 feet to the true point of beginning.

Air Space Description for Unit 3, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 127.42 feet, and S89°50'41"E 24.91 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence N85°02'19"E 31.34 feet; thence S4°51'41"E 9.98 feet; thence N85°02'19"E 8.00 feet; thence S4°51'41"E 17.33 feet; thence S85°02'19"W 39.34 feet; thence N4°51'41"W 27.31 feet to the true point of beginning, said unit lying between the elevations of 4532.73 and 4540.73 based on the North rim elevation of a manhole in Carolina Avenue on the South side of 1029 Carolina Avenue.

Description for LCE Parking for Unit 3, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 90.06 feet, S89°50'41"E 76.32 feet and S00°09'19"W 20.00 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence S89°50'41"E 20.00 feet, thence S00°09'19"W 20.00 feet; thence N89°50'41"W 20.00 feet, thence N00°09'19"W 20.00 feet to the true point of beginning.

Air Space Description for Unit 4, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 99.51 feet, and S89°50'41"E 22.46 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence N85°02'19"E 39.34 feet; thence S4°51'41"E 17.33 feet; thence S85°02'19"W 8.00 feet; thence S4°51'41"E 9.98 feet; thence S85°02'19"W 31.34 feet; thence N4°51'41"W 27.31 feet to the true point of beginning, said unit lying between the elevations of 4532.73 and 4540.73 based on the North rim elevation of a manhole in Carolina Avenue on the South side of 1029 Carolina Avenue.

Description for LCE Parking for Unit 4, 1101 East Carolina Avenue of the 1101 East Carolina Avenue Condominiums

Beginning at a point which bears S89°48'37"E 30.00 feet, S00°09'19"W 90.06 feet, S89°50'41"E 76.32 feet from the West Quarter Corner of Section 16, T1N, R2W, U.M., Mesa County, Colorado; thence S89°50'41"E 20.00 feet, thence S00°09'19"W 20.00 feet; thence N89°50'41"W 20.00 feet, thence N00°09'19"W 20.00 feet to the true point of beginning.

EXHIBIT B TO THE
COVENANTS, CONDITIONS AND RESTRICTIONS
OF GRACE PARK II CONDOMINIUMS

1. **Allocation of Votes:** Each condominium unit shall always have one vote.

2. **Allocation of Common Elements:**

Upon annexation of the building(s) in	the percentage allocation of common elements will be:
Phase 1 (4 units in phase/ 4 units total in project)	25.
Phase 2 (4 units in phase/ 8 units total in project)	12.5
Phase 3 (4 units in phase/12 units total in project)	8.3333
Phase 4 (4 units in phase/16 units total in project)	6.25
Phase 5 (8 units in phase/24 units total in project)	4.1666
Phase 6 (8 units in phase/32 units total in project)	3.125
Phase 7 (12 units in phase/44 units total in project)	2.2727
Phase 8 (8 units in phase/52 units total in project)	1.9230
Phase 9 (20 units in phase/72 units total in project)	1.3888
Phase 10 (8 units in phase/80 units total in project)	1.25
Phase 11 (12 units in phase/92 units total in project)	1.0869

EXHIBIT C TO THE
COVENANTS, CONDITIONS AND RESTRICTIONS OF
GRACE PARK II CONDOMINIUMS

LEGAL DESCRIPTION OF ENTIRE PROJECT

A parcel of land located in the Southwest Quarter of Section 16, Township 1 North, Range 2 West of the Ute Principal Meridian in the City of Fruita, Mesa County, Colorado, and being more specifically described below as follows:

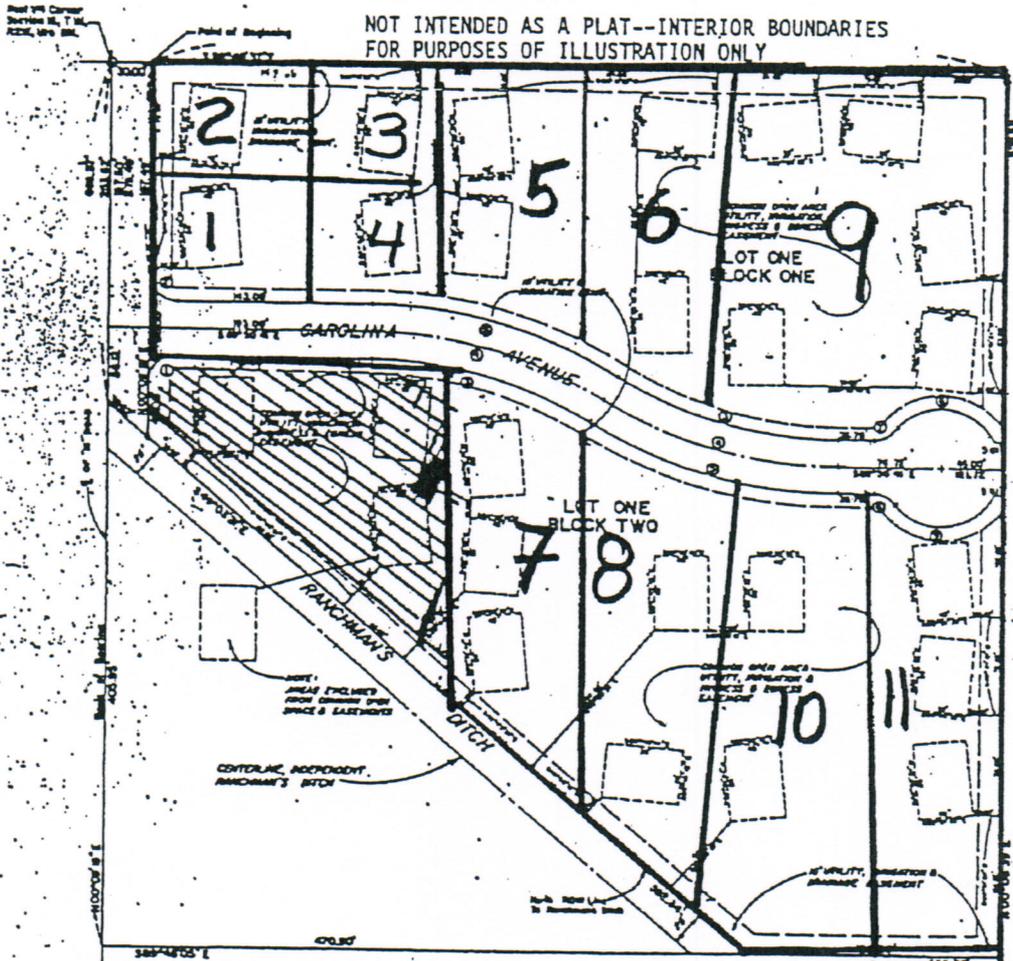
Beginning at a point which bears $S89^{\circ}48'37''E$ 30.00 feet from the West Quarter Corner of said Section 16, T1N, R2W of the Ute Meridian; thence $S89^{\circ}48'37''E$ 629.66 feet; thence $S00^{\circ}08'39''W$ 659.68 feet; thence $N89^{\circ}48'05''W$ 188.88 feet to a point on the Northerly right-of-way line of the Independent Ranchman's Ditch, thence $N49^{\circ}03'21''W$ 293.21 feet along said right-of-way to a point; thence leaving said right-of-way $N00^{\circ}09'19''E$ 245.82 feet to a point of intersection with a curve; thence along the arc of a curve to the left having a radius of 310.98 feet, whose chord bears $N84^{\circ}39'59''W$ 56.13 feet, 56.21 feet along the arc of the curve to a point of intersection with a straight line; thence $N00^{\circ}09'19''E$ 40.00 feet; thence $N89^{\circ}50'41''W$ 163.00 feet to a point on the East line of 18 Road; thence along the East line of 18 Road $N00^{\circ}09'19''E$ 177.49 feet to the point of beginning, containing 6.679 acres, more or less.

(Informational note: This is the area formerly identified as "Grace Park Filing Number 1 Condominiums, Phases II, III, IV and V, VI, Grace Park" and recorded in Book 1452 at Page 532 as Exhibit C to Condominium Declarations of said filing. These phases were never annexed into the Grace Park Filing Number 1 Condominiums, and the developer's right to do so expired.)

GRACE PARK II

PROPOSED PHASING

NOT INTENDED AS A PLAT--INTERIOR BOUNDARIES FOR PURPOSES OF ILLUSTRATION ONLY



LEGEND

- Steel County Street Cap
- Set 5/8 Pole with Cap in Concrete
- Marked P.C., L.S. Sta. 1443

LAND USE BREAKDOWN

	AREA (ACRES)	% OF TOTAL
Building Foot Print	1.20	12.5
Driveway	0.08	0.8
Common Area	1.82	19.2
TOTAL	3.10	100%

EXHIBIT "D" TO CONDOMINIUM DECLARATIONS OF GRACE PARK II CONDOMINIUMS