

AMENDED CONDOMINIUM DECLARATION -

3001 CONDOMINIUM

ARTICLE I. Recitals and Certain Definitions.

Section 1.1 The Real Property; the Declarants.

Jack R. Cagle, Frances M. Cagle, Linda Thomas, Emmett Elizondo, Maria M. Elizondo, Cloy R. Brown, Evelyn B. Brown, D. G. Son, Mabel B. Son and Muriel M. Corn, some of the undersigned, are the owners of that certain improved real property located in Mesa County, Colorado, herein sometimes referred to as "Initial Property", as follows:

Beginning at a point in the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, T1S, R1W, U.M. a distance of 378.5 feet South 89°47' West from the Northeast corner of SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2, thence South 0°01' West 333.3 feet, thence South 89°47' West 147.2 feet, thence North 0°01' East 333.3 feet, thence North 89°47' East 147.2 feet to the point of beginning.

Jack R. Cagle and Wallace Corn, two of the undersigned, herein sometimes referred to as "Cagle and Corn" are the owners of that certain improved real property located in Mesa County, Colorado, herein sometimes referred to as "Cagle-Corn Improved Property", as follows:

Commencing at a point in the East line of Section 2, T1S, R1W, U.M. 940 feet North 0°01' East of the Southeast corner of Section 2, thence South 89°47' North a distance of 40.0 feet to the Point of Beginning, thence South 89°47' North a distance of 552.67 feet, thence North 5°22'30" East along the center line of the Little Bookcliff Railroad a distance of 380.81 feet, thence North 89°47' East along the North line of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 2 a distance of 31.4 feet, thence South 0°01' West a distance of 333.3 feet, thence North 89°47' East a distance of 485.7 feet, thence South 0°01' West a distance of 45.7 feet to the Point of Beginning,

and are also the owners of that certain unimproved real property located in Mesa County, Colorado, herein sometimes referred to as "Cagle-Corn Unimproved Property", as follows:

Beginning at a point at the East line of Section 2, T1S, R1W, U.M. 985.7 feet North 0°01' East of the Southeast corner of Section 2, thence South 89°47' West a distance of 378.5 feet, thence North 0°01' East 333.3 feet, thence North 89°47' East a distance of 378.5 feet, thence South 0°01' West 333.3 feet to the point of beginning; EXCEPT the East 40.0 feet thereof.

All persons named above are sometimes referred to herein as "Declarants" and all real property described above is sometimes referred to herein as the "Real Property".

Section 1.2 Intention of Declarants. Declarants intend to provide for condominium ownership of the Real Property under the Condominium Ownership Act of the State of Colorado and to define the character, duration, rights, obligations and limitations of condominium ownership in 3001 Condominium and for such purpose execute this Amended Declaration-3001 Condominium.

Section 1.3 The Initial Project. The Cagle-Corn Improved Property, Initial Property, and the building and other improvements located thereon, shall sometimes be referred to herein as the "Initial Project".

Section 1.4 Proposed Expansion Project. Cagle and Corn contemplate construction of an additional building or buildings of the same type as the building of the Initial Project on the Cagle-Corn Unimproved Property which immediately adjoins the Initial Property and Declarants wish to provide for expansion of the Initial Project to include the Cagle-Corn Unimproved Property and such building or buildings thereon if and when constructed so that such additional real property and building or buildings and the Initial Project shall be treated as integral parts of a single condominium ownership project, sometimes referred to herein as the "Project".

Section 1.5 Type of Ownership. This condominium ownership project will provide a means for ownership in fee simple of individual air space units and for co-ownership with others, as tenants in common, of Common Elements, as herein defined.

Section 1.6 Declaration. Some of the undersigned executed a Declaration - Colorado Condominium Act under date of April 30, 1968, which is recorded in Book 922, Page 137 of the records of the Clerk and Recorder of Mesa County, Colorado, referred to herein sometimes as the "Declaration". This Amended Declaration-3001 Condominium, sometimes referred to herein as the "Amended Declaration" is intended to supplement and, in the event of conflict, supersede such Declaration.

ARTICLE II. Additional Definitions.

The following terms shall have the following meanings when used herein unless the context otherwise requires.

Section 2.1 Buildings. "Building" means one of the buildings constructed or to be constructed on the Real Property pursuant to this Amended Declaration.

Section 2.2 Unit. "Unit" means an individual air space unit, consisting of enclosed rooms occupying part of a floor in a Building and bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof as shown and numbered on the Condominium Map to be filed for record, together with all fixtures and improvements therein contained. Notwithstanding such markings, the following are not part of a Unit: bearing walls, floors and roofs (except for the interior surface thereof, if a perimeter wall, floor or ceiling), foundations, pipes, vents, ducts, flues, chutes, conduits, wires and other utility installations, wherever located, except the outlets thereof when located within the Unit. The interior surfaces of a perimeter window or door means the points at which such surfaces are located when such windows or doors are closed; the physical windows and doors themselves are part of the Common Elements, as herein defined. Each Unit also includes the interior of any storage areas which are shown on the Condominium Map as belonging to such Unit, bounded as described herein for other portions of the Unit.

Section 2.3 Common Elements. "Common Elements" means all of the Initial Project or Project except all Units.

Section 2.4 Limited Common Elements. "Limited Common Elements" means those Common Elements designated herein for exclusive use by owners of particular condominium units, as that term is herein defined.

Section 2.5 General Common Elements. "General Common Elements" means all Common Elements except all Limited Elements.

Section 2.6 Condominium Unit. "Condominium Unit" means a Unit together with an undivided 1/18 interest in the Common Elements.

Section 2.7 Owner. "Owner" means any person or entity at any time owning a Condominium Unit; the term "Owner" shall not refer to any Mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 2.8 Mortgage. "Mortgage" means any mortgage, deed of trust, or other security instrument by which a Condominium Unit or any part thereof is encumbered.

Section 2.9 Mortgagee. "Mortgagee" means any person named as the mortgagee or beneficiary under any Mortgage under which the interest of any Owner is encumbered.

Section 2.10 Condominium Map. "Condominium Map" means a plat or survey, or any supplement thereto, of the surface of the ground of the Real Property, showing a survey and legal description thereof, the location of each Building with respect to the boundaries of the Real Property, together with diagrammatic floor plans of the Buildings showing the boundaries of each Unit within each Building, Unit numbers identifying the Units, together with such other information as may be included thereon in the discretion of the Declarants.

ARTICLE III. Statement of Intention and Purpose.

Section 3.1 Declarants hereby declare that the Initial Project and every part thereof is held and shall be held, conveyed, devised, encumbered, used, occupied and improved and otherwise affected in any manner subject to the provisions of the Declaration and Amended Declaration each and all of which provisions are hereby declared to be in furtherance of the general plan and scheme of condominium ownership referred to in Article I and are further declared to be for the benefit of the Initial Project and every part thereof and for the benefit of each Owner. All provisions hereof shall be deemed to run with the land as covenants running with the land or as equitable servitudes as the case may be, and shall constitute benefits and burdens to the Declarants and their assigns and to all persons hereafter acquiring or owning any interest in the Initial Project, however such interest may be obtained.

ARTICLE IV. Filing of the Condominium Map.

Section 4.1 The Condominium Map and any supplements thereto shall be filed for record in the real estate records of the County Clerk and Recorder of Mesa County, Colorado.

ARTICLE V. Nature and Incidents of Condominium Ownership.

Section 5.1 Estates of an Owner. The Initial Project is hereby divided into Condominium Units, each consisting of a fee simple interest in a Unit and an undivided 1/18 fee simple interest in the Common Elements. Such undivided interests in the Common Elements are hereby declared to be appurtenant to the respective Units.

Section 5.2 Limited Common Elements. A portion of the Common Elements are set aside and reserved for the exclusive use of and by the individual Owners, such areas and items being the Limited Common Elements, as follows:

- (a) The automobile parking spaces (in carports);
- (b) Each patio area adjoining a Unit and associated therewith;
- (c) The individual air-conditioning plant and heating plant affixed to each Unit;
- (d) The area lying North of Unit No. 1 and South of the North boundary of Initial Property, as shown on the Condominium Map; and
- (e) Each area lying East which adjoins a Unit, as shown on the Condominium Map.

The parking space, patio area and area lying East of a Unit bearing the same numbers on the Condominium Map as a Unit shall, without further reference, be associated and used with such Unit, to the exclusion of the use thereof by the other Owners except by invitation. The property referred to immediately above in sub-paragraph (d) shall bear the number 1 and, without further reference, be associated and used with such Unit to the exclusion of the use thereof by the other Owners except by invitation. An individual Unit Owner shall have and be responsible for, and bear all expenses associated with, the exclusive management, control, operation, maintenance, repair and improvement of the parking spaces, patio area, air-conditioning plant and heating plant associated and used with

his Unit. The Owner of Unit No. 1 shall have and be responsible for, and bear all expenses associated with, the exclusive management, control, operation, maintenance, repair and improvement of the property referred to immediately above in sub-paragraph (d). The maintenance, repair and improvement of the area referred to immediately above in sub-paragraph (e) shall be the sole responsibility of the Association, referred to hereafter, and the expenses associated therewith shall be considered as expenses of maintenance, repair and improvement of General Common Elements for which annual assessments are made under Article X.

Section 5.3 Title. Title to a Condominium Unit may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Colorado, including, but without limitation, joint tenancy or tenancy in common.

Section 5.4 Inseparability. No part of a Condominium Unit or of the legal rights comprising ownership of a Condominium Unit may be separated from any other part thereof during the period of condominium ownership prescribed herein, so that each Unit and the undivided interest in the Common Elements appurtenant to such Unit shall always be conveyed, devised, encumbered, and otherwise affected only as a complete Condominium Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a Condominium Unit or any part thereof shall be presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Condominium Unit together with all appurtenant rights created by law or by the Declaration and Amended Declaration.

Section 5.5 Partition Not Permitted. The Common Elements shall be owned in common by all the owners of Condominium Units, and no owner may bring any action for partition thereof.

Section 5.6 Owner's Rights to Common Elements. Subject to the limitations contained in the Declaration and Amended Declaration, each Owner shall have the nonexclusive right to use and enjoy the Common Elements.

Section 5.7 Owner's Rights with Respect to Interiors. Each Owner shall have the exclusive right to paint, repaint, tile, carpet, drape, wax, paper or otherwise finish or refinish and decorate the interior surfaces of the walls, ceilings, floors, windows and doors forming the boundaries of his Unit.

Section 5.8 Easement for Access to Condominium Units. Each Condominium Unit shall have access to a public street by an easement or easements to be described, or otherwise definitely located, on the Condominium Map, or any supplement thereto.

Section 5.9 Easements for Encroachments. If any part of the Common Elements encroaches or shall hereafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Elements, or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Elements or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

Section 5.10 Easements of Access for Repair, Maintenance and Emergencies. Some of the Common Elements are or may be located within the Units or may be conveniently accessible only through the Units. The Owners of other Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units. The Association shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit or Units 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 or of Owners shall be an expense of all of the Owners; provided, however, that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Association by assessment pursuant to Article X, below.

Section 5.11 Owner's Right to Ingress and Egress. Each Owner shall have the right to ingress and egress over, upon and across the General Common Elements necessary for access to his Unit.

Section 5.12 Association's Right to Use of Common Elements. The Association shall have a non-exclusive easement to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Amended Declaration.

Section 5.13 Cagle and Corn's Rights Incident to Construction. Cagle and Corn, and persons they may select, shall have the right of ingress and egress over, upon and across the Common Elements and the right to store materials thereon and make such other use thereof as may be reasonably necessary incident to construction and complete development of the Project.

Section 5.14 Easements Deemed Created. All conveyances of Condominium Units hereafter made, whether by the Declarants, Cagle and Corn, or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to Sections 5.8, 5.9, 5.10, 5.11, 5.12 and 5.13 above, even though no specific reference to such easements or to those Sections appears in any such conveyance.

ARTICLE VI. Conveyance and Description of a Condominium Unit.

Section 6.1 In consideration of the covenants and conveyances herein contained, the undersigned hereby SELL and CONVEY unto owners of Units 1 through 6, as shown on the Condominium Map filed coincident with the recording of this Amended Declaration, the following described real property with all its appurtenances and WARRANT TITLE to same:

<u>Grantors</u>	<u>Grantee</u>	<u>Property Description</u>
1. A. Linda Thomas, Emmett Elizondo, Maria M. Elizondo, Cloy R. Brown, Evelyn B. Brown, D. G. Son, Mabel B. Son and Muriel M. Corn	Jack R. Cagle and Frances M. Cagle, joint tenants	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	Jack R. Cagle and Frances M. Cagle, joint tenants	An undivided 1/18 of the Cagle-Corn Improved Property

Handwritten note:
no other
\$500.00
p.c.d.

State Documentary Fee
Date NOV 12 1968
\$ no fee

<u>Grantors</u>	<u>Grantee</u>	<u>Property Description</u>
2. A. Jack R. Cagle, Frances M. Cagle, Emmett Elizondo, Maria M. Elizondo, Cloy R. Brown, Evelyn B. Brown, D. G. Son, Mabel B. Son and Muriel M. Corn	Linda Thomas	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	Linda Thomas	An undivided 1/18 of the Cagle-Corn Improved Property
3. A. Jack R. Cagle, Frances M. Cagle, Linda Thomas, Cloy R. Brown, Evelyn B. Brown D. G. Son, Mabel B. Son and Muriel M. Corn	Emmett Elizondo and Maria M. Elizondo, joint tenants	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	Emmett Elizondo and Maria M. Elizondo, joint tenants	An undivided 1/18 of the Cagle-Corn Improved Property
4. A. Jack R. Cagle, Frances M. Cagle Linda Thomas Emmett Elizondo, Maria M. Elizondo, D. G. Son, Mabel B. Son and Muriel M. Corn	Cloy R. Brown and Evelyn B. Brown, joint tenants	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	Cloy R. Brown and Evelyn B. Brown, joint tenants	An undivided 1/18 of the Cagle-Corn Improved Property

<u>Grantors</u>	<u>Grantee</u>	<u>Property Description</u>
5. A. Jack R. Cagle, Frances M. Cagle, Linda Thomas, Emmett Elizondo, Maria M. Elizondo, Cloy R. Brown, Evelyn B. Brown and Muriel M. Corn	D. G. Son and Mabel B. Son, joint tenants	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	D. G. Son and Mabel B. Son, joint tenants	An undivided 1/18 of the Cagle-Corn Improved Property
6. A. Jack R. Cagle, Frances M. Cagle, Linda Thomas, Emmett Elizondo, Maria M. Elizondo, Cloy R. Brown, Evelyn B. Brown, D. G. Son and Mabel B. Son	Muriel M. Corn	An undivided 1/18 of the Common Elements of the Initial Property
B. Jack R. Cagle and Wallace Corn	Muriel M. Corn	An undivided 1/18 of the Cagle-Corn Improved Property

Section 6.2 After the Condominium Map, or a supplement thereto, shall have been filed for record in Mesa County, Colorado, every deed and contract for the sale of a Condominium Unit and every other instrument affecting title to a Condominium Unit may describe that Condominium Unit by the number shown on the Condominium Map, or a supplement thereto, with the appropriate reference to the Condominium Map, or a supplement thereto, and to the Declaration and this Amended Declaration, as each shall appear on the records of the County Clerk and Recorder of Mesa County, Colorado, in the following fashion:

Condominium Unit _____ as shown on the Condominium Map for 3001 Condominium appearing in the records of the County Clerk and Recorder of Mesa County, Colorado, Reception No. _____, and as defined and described in that Declaration and Amended Declaration appearing in such records at Book 922, Pages 137-38 and Book _____ and Pages _____.

Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Elements, and to incorporate all the rights incident to ownership of a Condominium Unit and all the limitations on such ownership as described in the Declaration and this Amended Declaration.

ARTICLE VII. Mechanic's Lien Rights.

Section 7.1 No labor performed or materials furnished for use in connection with any Unit with the consent or at the request of an Owner or his agent or subcontractor shall create any right to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials shall have been furnished. Each Owner shall indemnify and hold harmless each of the other Owners from and against liability or loss arising from the claim of any lien against the Condominium Unit, or any part thereof, of any other Owner for labor performed or for materials furnished in work on the first Owner's Unit. At the written request of any Owner the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien, including all costs incidental thereto, and obtaining discharge of the lien. Such collection shall be made by a special assessment pursuant to Article X.

ARTICLE VIII. The Association.

Section 8.1 Membership. Every Owner shall be entitled and required to be a member of the Association. If title to a Condominium Unit is held by more than one person, the membership related to that Condominium Unit shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which the title to the Condominium Unit is held. An Owner shall be entitled to one membership for each Condominium Unit owned by him. No person or entity other than an Owner may be a member of the Association and the memberships in the Association may not be transferred except in connection with the transfer of a Condominium Unit; provided, however, that the rights of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium Unit.

Section 8.2 Voting Rights. The Association shall have one class of memberships. Each membership shall be entitled to one vote;

provided, however, Cagle and Corn as developers-owners of Condominium Units on the Cagle-Corn Unimproved Property shall not be entitled to vote the memberships incident to such ownership.

Section 8.3 Amplification. The provisions of this Article are to be amplified by the Articles of Incorporation and By-Laws of the Association; provided, however, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

ARTICLE IX. Certain Rights and Obligations of the Association.

Section 9.1 The Common Elements. The Association shall, subject to the rights of the Owners set forth in Article V hereof, be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The Association shall, subject to the rights of the Owners set forth in Article V hereof, be responsible for the maintenance and repair of exterior surfaces of Buildings and improvements located on the Initial Project or Project, the maintenance and repair of roofs, utility lines, and all other improvements or materials located within or used in connection with the Common Elements. The cost of such management, operation, maintenance and repair shall be borne as provided in Article X.

The Association shall have the right to grant easements for utility purposes over, upon, under or through any portion of the Common Elements, and is hereby irrevocably appointed as attorney in fact for each Owner for such purpose.

Section 9.2 Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Initial Project or Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Initial Project or Project or the enforcement of the Declaration and Amended Declaration.

Section 9.3 Personal Property for Common Use. The Association may acquire and hold for the use and benefit of all of the Owners

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 deemed to be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such interest shall not be transferable except with the 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 property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

Section 9.4 Rights. The Association may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with any obligation of such Owner under the Declaration and Amended Declaration. The Association may also take judicial action against any Owner to enforce compliance with such obligations or to obtain damages for non-compliance, all to the extent permitted by law. The Association may exercise any right or privilege given to it expressly by the Declaration and Amended Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE X. Assessments.

Section 10.1 Agreement to Pay Assessment. The undersigned hereby covenant, and each Owner of any Condominium Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association annual assessments made by the Association for the purposes provided in the Declaration and Amended Declaration, and special assessments for capital improvements and other matters as provided in the Declaration and Amended Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 10.2 Amount of Total Annual Assessments. The total annual assessments against all Condominium Units shall be based upon advance estimates by the Association to provide for the payment of all estimated expenses arising out of or connected with the maintenance and

operation of the General Common Elements or furnishing utility services to the Units, which estimates may include, among other things, expenses of management; premiums for all insurance which the Association is required or permitted to maintain pursuant hereto; landscaping and care of grounds; common lighting, heating and water charges; trash collection; sewer service charges; repairs and maintenance; wages for Association employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of the Declaration and Amended Declaration.

Section 10.3 Apportionment of Annual Assessments. Expenses attributable to the General Common Elements and to the Initial Project or Project as a whole shall be apportioned among all the Owners in proportion to the square footage owned by each in a Unit or Units.

Section 10.4 Notice of Annual Assessments and Time for Payment Thereof. Annual assessments shall be made on a January 1 through December 31 fiscal year basis. The Association shall give written notice to each Owner as to the amount of the annual assessment with respect to his Condominium Unit on or before January 1 each year for the fiscal year commencing on such date. Such assessments shall be due and payable on March 1 each year. Each annual assessment shall bear interest at the rate of 8% per annum from the date it becomes due and payable if not paid within thirty days after such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Condominium Unit for such assessment, but the date when payment shall become due in such a case shall be deferred to a date thirty days after such notice shall have been given, if such notice is given after February 1 in a particular year.

Section 10.5 Special Assessments for Capital Improvements. In addition to the annual assessments authorized by this Article, 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 cost of any construction or reconstruction, unexpected repair or replacement of the Initial Project or Project or any part thereof, or for any other expense incurred or to be incurred as provided in this Amended Declaration. 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 which shall make specific reference to this Article. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to the square footage owned by each in a Unit or 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 days after such notice shall have been given. A special assessment shall bear interest at the rate of 8% per annum from the date it becomes due and payable if not paid within thirty days after such date.

Section 10.6 Lien for Assessments. All sums assessed to any Condominium Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Condominium Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Condominium Unit, except only for: (a) valid tax and special assessment liens on the Condominium Unit in favor of any government assessing authority; and (b) a lien for all sums unpaid on a first Mortgage duly recorded in the Mesa County, Colorado, real estate records, including all unpaid obligatory advances to be made pursuant to such Mortgage and all amounts advanced pursuant to such Mortgage and secured by the lien thereof in accordance with the terms of such instrument. All other lienors acquiring liens on any Condominium Unit after the Declaration and Amended Declaration shall have been recorded in said records shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by the Association and may be recorded in the office of the County Clerk and Recorder of Mesa County, Colorado. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Colorado. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien and all reasonable attorneys' fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Condominium Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid

at the foreclosure sale or other legal sale and to acquire, hold, convey, encumber and otherwise deal with the same as the Owner thereof.

A release of notice of lien shall be executed by the Association and recorded in the Mesa County, Colorado real estate records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a lien on a Condominium Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall report to any encumbrancer of a Condominium Unit any unpaid assessments remaining unpaid for longer than ninety days after the same shall have become due; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrance.

Section 10.7 Personal Obligation of Owner. The amount of any annual or special assessment against any Condominium Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish such personal obligation by waiver of the use and enjoyment of any of the Common Elements or by abandonment of his Condominium Unit.

Section 10.8 Statement of Account. Upon payment of a reasonable fee not to exceed \$15.00 and upon written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Condominium Unit, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Condominium Unit, the amount of the current yearly assessment and the date that such assessment becomes or became due, credit for advanced payments or prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums, which statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within twenty days, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. Where a prospective purchaser makes such request, both the lien for such unpaid assessments and the personal obligation of the purchaser shall be released

automatically if the statement is not furnished within the twenty-day period provided herein and thereafter an additional written request is made by such purchaser and is not complied with within ten days, and the purchaser subsequently acquires the Condominium Unit.

Section 10.9 Personal Liability of Purchaser for Assessments. Subject to the provisions of Section 10.8 a purchaser of a Condominium Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

ARTICLE XI. Use of Condominium Units.

Section 11.1 Residential. Each Condominium Unit shall be used for residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a Condominium Unit for lodging or residential purposes shall be considered to be a violation of this covenant unless written permission of all other Owners is obtained. Persons under the age of 18 years shall be allowed to visit Owners, but shall not reside permanently in Units.

Section 11.2 Use of General Common Elements. There shall be no obstruction of the General Common Elements, nor shall anything be stored on any part of the General Common Elements without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered on, constructed in, or removed from, the General Common Elements, or the Limited Common Elements set forth in Section 5.3(e) hereof, except upon the prior written consent of the Association.

Section 11.3 Prohibition of Damage and Certain Activities. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would result in the cancellation of the insurance on the Initial Project or Project or any part thereof or increase of the rate of the insurance on the Initial Project or Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements

or any part thereof shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees. No noxious, destructive or offensive activity shall be carried on in any Unit or in the Common Elements or any part thereof, nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any person at any time lawfully residing in the Project.

Section 11.4 Household Pets. Dogs, cats or other household pets only may be kept in Units, on the patio area of a Unit or on a leash; provided, that they are not kept, bred or maintained for any commercial purpose; and, further provided, that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Initial Project or Project upon written notice from the Association.

Section 11.5 Maintenance of Interiors and Limited Common Elements. Each Owner shall keep the interior of his Unit, including, without limitation, interior walls, windows, glass, ceilings, floors and permanent fixtures, appurtenances thereto, and Limited Common Elements, in a clean, sanitary and attractive condition, and good state of repair.

Section 11.6 Structural Alterations. No structural alterations to any Unit shall be made, and no plumbing, electrical or similar work within the Common Elements shall be done by any Owner without the prior written consent of the Association.

ARTICLE XII. Insurance.

Section 12.1 Types of Insurance. The Association shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Colorado. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

(a) Casualty Insurance. The Association shall obtain insurance on the Initial Project or Project in such amounts as shall provide for full replacement thereof in the event

of damage or destruction from the casualty against which such insurance is obtained, all in the manner in which a corporation owning similar multiple family residential buildings in the vicinity of the Initial Project or Project would, in the exercise of prudent business judgment, obtain such insurance. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, war risk insurance if available and if deemed appropriate by the Association, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

(b) Public Liability and Property Damage Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it deems advisable to provide adequate protection. 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 Initial Project or Project.

(c) Workmen's Compensation and Employer's Liability Insurance. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance in respect of employees of the Association in the amounts and in the forms now or hereafter required by law.

(d) Fidelity Insurance. The Association shall purchase, in such amounts and in such forms as it shall deem appropriate, coverage against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

(e) Other. The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the Initial Project or Project, including any personal property of the Association located thereon.

Section 12.2 Owners' Responsibility. Insurance coverage on the furnishings and other items of personal property belonging to an Owner and casualty and public liability insurance coverage within each individual Unit and for activities of the Owner, not acting by the Association, with respect to the Common Elements shall be the responsibility of the respective Owners.

Section 12.3 Owner's Own Insurance. Notwithstanding the provisions of Section 12.1 hereof, each Owner may obtain insurance at his own expense providing coverage upon his Condominium Unit, his personal property, for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Article. All such insurance of the Owner's Condominium Unit shall waive the insurance company's right of subrogation against the Association, the other Owners, and the servants, agents, guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver of rights of subrogation.

ARTICLE XIII. Casualty Damage or Destruction.

Section 13.1 Affects Title. Title to each Condominium Unit is hereby made subject to the terms and conditions hereof, which bind the undersigned and all subsequent Owners, whether or not it be so expressed in the deed by which any Owner acquires his Condominium Unit.

Section 13.2 Association as Agent. All of the Owners irrevocably constitute and appoint the Association their true and lawful agent in their name, place and stead for the purpose of dealing with the Initial Project or Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from any Owner shall constitute appointment of the attorney in fact herein provided.

Section 13.3 General Authority of Association. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of a Condominium Unit Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding sub-paragraphs mean restoring the Initial Project or Project to substantially the same condition in which it

existed prior to damage, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance of the Association collected shall be available to the Association for the purpose of repair or reconstruction unless the Owners and all first Mortgagees unanimously agree not to rebuild in accordance with the provisions set forth herein-after.

In the event any Mortgagee should not agree not to rebuild, the Association shall have the option to purchase such Mortgage by payment in full of the amount secured thereby if the Owners are in unanimous agreement not to rebuild. The Association shall obtain the funds for such purpose by special assessments under Article X of this Amended Declaration.

Section 13.4 Estimate of Costs. As soon as practicable after an event causing damage to, or destruction of, any part of the Initial Project or Project, the Association shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the Initial Project or Project damaged or destroyed.

Section 13.5 Repair or Reconstruction. As soon as practicable after receiving these estimates the Association shall diligently pursue to completion the repair or reconstruction of that part of the Initial Project or Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans or may be in accordance with any other plans and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than 5% from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications, and the location of the Buildings shall be substantially the same as prior to damage or destruction.

Section 13.6 Funds for Reconstruction. If the proceeds of any insurance collected are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association, pursuant to Article X hereof, may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in that Article. Further levies may be made in

like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

Section 13.7 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and the amounts received from the assessments provided for in Section 13.6 constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made pursuant to the assessments the Association made under Section 13.6 of this Amended Declaration.

Section 13.8 Decision Not to Rebuild. If all Owners and all holders of first Mortgages on Condominium Units agree not to rebuild, as provided herein, the Initial Project or Project shall be sold and the proceeds distributed in the same manner herein provided in the event of sale of obsolete units, as set forth in Section 15.4.

ARTICLE XIV. Sale of Condominium Units.

Section 14.1 Right to Purchase. The Association shall have the right to purchase Condominium Units and the memberships appurtenant thereto upon affirmative vote to so purchase by 85% of the members, excluding the member whose Condominium Unit is to be purchased, as hereafter provided in this Article.

Section 14.2 Notice. The Owner of a Condominium Unit who desires to sell same to a purchaser shall give twenty days' written notice of the terms of a bona fide sale to the Association together with a written contract of sale signed by the prospective purchaser. The giving of such notice shall constitute a warranty and the representation by the Owner to the Association that the Owner believes the proposal to be bona fide in all respects.

Section 14.3 Exercise of Right. The Association shall have a period of twenty days from the receipt of such notice to complete the purchase of the Condominium Unit from such Owner upon terms as favorable to the seller as the terms stated in the notice to the Association. If the Association fails to act within such twenty day period, the Association shall have waived its right to make such

purchase, such sale shall be deemed approved by the Association and the Association shall issue a Certificate, in recordable form, to the Owners of a Condominium Unit who desire to sell the same.

Section 14.4 Certificate. The Certificate referred to immediately above shall be, in substance, as follows:

CERTIFICATE

The 3001 Condominium Association, Inc., pursuant to Section 14.3 of the Amended Condominium Declaration - 3001 Condominium, recorded in Book 928 at Page 895-926 of the records of Mesa County, Colorado, hereby certifies that it has received the Notice provided in Section 14.2 of said Amended Condominium Declaration-3001 Condominium from _____, the owner of Condominium Unit No. _____, who desires to sell same to the person(s) named and upon the terms set forth in said Notice, more than 20 days prior to the date hereof and such sale to the person named and upon the terms set forth in said Notice is hereby approved the 3001 Condominium Association, Inc.

DATED this ____ day of _____, 19____.

ATTEST:

3001 Condominium Association, Inc.

Secretary By _____
President

STATE OF _____)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this ____ day of _____, 19__ by _____, personally known to me to be the President of the 3001 Condominium Association, Inc.

Witness my hand and official seal.
My commission expires _____.

Notary Public

Section 14.5 Negation of Sale. Any sale attempted without affording the Association the right of first refusal herein provided shall be without force or effect and shall confer no title or interest whatsoever upon the intended purchaser.

Section 14.6 Applicability. The provisions of this Article shall not apply to a sale by an Owner to a Mortgagee in lieu of foreclosure or acquisition of title by a Mortgagee through foreclosure. The restrictions of this Article shall not apply to a gift by the Owner, the transfer of a decedent's joint tenant interest to surviving joint tenant or the transfer of a decedent's interest to devisees or heirs of his Condominium Unit.

ARTICLE XV. Obsolescence.

Section 15.1 Adoption of a Plan. The Owners representing an aggregate ownership interest of 85% or more of the Units may agree that the Initial Project or Project is obsolete and adopt a written plan for the renewal and reconstruction, which plan has the unanimous approval of all first Mortgagees of record at the time of the adoption of such plan. Written notice of adoption of such a plan shall be given to all Owners and such plan shall be recorded in the Mesa County, Colorado, real estate records.

Section 15.2 Payment for Renewal and Reconstruction. The expense of renewal or reconstruction shall be payable by all of the Owners as assessments against their respective Condominium Units. These assessments shall be levied in advance pursuant to Article X hereof and shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction.

Section 15.3 Dissents from the Plan. An Owner not a party to such a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen days after the recordation of such plan. The Association shall then give written advice of such dissents to all the Owners within five days after the expiration of such fifteen-day period. Within fifteen days of receipt of such notice from the Association the Owners representing an aggregate ownership of more than 15% of the Units may cancel the plan by written instrument recorded in the Mesa County, Colorado, real estate records. If the plan is not cancelled then the Condominium Units of each dissenter shall

be purchased according to the following procedures. If the Owner and the Association can agree on the fair market value thereof, then such sale and conveyance shall be completed within sixty days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencing date" from which all periods of time mentioned herein shall be measured. Within ten days following the commencing date, each party shall nominate a qualified appraiser by written nomination and shall give notice of such nomination to the other. If either party fails to make such nomination, the appraiser nominated shall, within five days after default by the other party, appoint and associate with him another qualified appraiser. If the two appraisers designated by the parties, or selected pursuant hereto in the event of default of one party, are unable to agree, they shall appoint another qualified appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two qualified appraisers, and from the names of the four persons so nominated one shall be drawn by lot by judge of any court of record in Colorado, and the person whose name is so drawn shall be the umpire. The nominations from among which the name of the umpire is to be drawn by lot shall be submitted within ten days of the failure of the two appraisers to agree, which, in any event, shall not be later than twenty days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, the decision of such umpire shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the Owner. The sale shall be consummated within sixty days after decision of the appraisers, and the Association as attorney in fact shall disburse the proceeds first to lienors in the order of the priority of their liens and the balance remaining to the Condominium Unit Owner. The obligation of the Association to make such purchase shall be conditioned on the fair market value of the Condominium Unit exceeding the obligations secured by liens on such Condominium Unit, and upon the marketability of the title of the Owner. Owner shall furnish the Association an appropriate abstract of title or commitment for title insurance evidencing marketability of his title not less than fifteen days prior to the date set for completion of the sale.

The Association, pursuant to Article X hereof, may levy

a special assessment sufficient to provide funds to pay for the Condominium Units of the dissenters, provided that such assessments shall not apply to any of the Owners who are among the dissenters and shall not be liens against the Condominium Units of such Owners.

Section 15.4 Sale of Obsolete Units. The Owners representing an aggregate ownership interest of 85% or more of the Units may agree that the Condominium Units are obsolete and that the Initial Project or Project should be sold. Such an agreement must have the unanimous approval of every first Mortgagee of record at the time such agreement is made. In such instance the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association the Initial Project or Project shall be sold by the Association as attorney in fact for all of the Owners free and clear of the provisions contained in the Declaration, Amended Declaration, the Condominium Map and the Articles of Incorporation and By-Laws of the Association. The sale proceeds shall be apportioned among the Owners in proportion to the respective amounts originally paid to Cagle and Corn for the purchase of the Condominium Units, exclusive of the amounts paid for personal property, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall remain in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney in fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to lienors in the order of the priority of their liens and the balance remaining to each respective Owner.

Section 15.5 Distribution of Excess. In the event amounts collected pursuant to Section 15.2 are in excess of the amounts required for renewal and reconstruction, the excess shall be returned to the Owners by the Association by a distribution to each Owner in an amount proportionate to the respective amount collected from each such Owner.

ARTICLE XVI. Expansion.

Section 16.1 Grant and Reservation of Right to Expand. The undersigned hereby grant to Cagle and Corn and, to the extent

Cagle and Corn have the right to do so, they reserve the right to expand this condominium ownership project to include additional Buildings of the same type as the Building of the Initial Project. Such Buildings shall be constructed on the Cagle-Corn Unimproved Property. The total number of Units in the Project, as expanded, shall not exceed 18. Notwithstanding anything to the contrary in this Amended Declaration, Cagle and Corn, or their successors in interest, shall pay all costs and expenses incidental to the development and sale of units upon the Cagle-Corn Unimproved Property.

Section 16.2 Supplemental Condominium Maps. Such Expansion shall be accomplished by the filing for record in the Mesa County, Colorado, real estate records of a Supplemental Condominium Map containing a legal description of the site or sites for a new Building or Buildings containing the same information with respect to the new Buildings as was included on the original Condominium Map with respect to the initial Building. The expansion may be accomplished in stages by successive supplements.

Section 16.3 Expansion of Definitions. In the event of such expansion the definitions used in the Declaration and Amended Declaration automatically shall be expanded to encompass and refer to the Project as so expanded. All conveyances of Condominium Units after such expansion shall be effective to transfer rights in the Project as expanded by use of the form or description set forth in Article VI hereof. The recordation in the Mesa County, Colorado, real estate records of a Supplemental Condominium Map or Maps incident to any expansion shall operate automatically to grant, transfer and convey to then-Owners of Condominium Units in the Project as it existed before such expansion an undivided 1/18 interest in the new Common Elements added to the Project as a result of such expansion and shall operate automatically to grant, transfer and convey to the new Owners of Condominium Units in the expanded Project an undivided 1/18 interest in the Common Elements of the Initial Property and an undivided 1/18 interest in the Cagle-Corn Improved Property. Such recordation shall also operate to vest in any then-Mortgagee of any Condominium Unit in the Project as it existed before such expansion a security interest in the undivided 1/18 interest so acquired by the Owner of the Condominium Unit encumbering the new Common Elements added to the Project as a result of such expansion and shall also operate to vest in any Mortgagee of the new Condominium Units a security interest in the undivided 1/18 interest so acquired by the new Owner of the Condominium Unit in the Common Elements of

the Initial Property and an undivided 1/18 interest in the Cagle-Corn Improved Property.

Section 16.4 Declaration Operative on New Buildings. The new Buildings shall be subject to all the terms and conditions of the Declaration, Amended Declaration or any further amendments thereto, and the Condominium Units therein shall be subject to condominium ownership with all the incidents pertaining thereto as specified herein.

Section 16.5 Swimming Pool. It is anticipated that Owners of Units in the Project, as expanded, may desire that a swimming pool be constructed upon a portion of the Cagle-Corn Unimproved Property. The Owners representing an aggregate ownership interest of 85% or more of the Units in the Project, as expanded, may agree that the Association shall have such swimming pool built. Such agreement must have the approval of all first mortgagees of record at the time of the decision to build such pool. The expense of such construction shall be payable by all of the Owners as assessments against their respective Condominium Units. These assessments shall be levied in advance pursuant to Article X hereof and shall be allocated and collected as provided in that Article.

Section 16.6. Disposition of Remainder of Common Elements. The undivided interest in the Common Elements which is part of a Condominium Unit is stated in Section 5.1 above to be 1/18. This has been computed on the assumption that a total of eighteen Units will be constructed in the Project. If no Units, in addition to the present six, are constructed within eight years from the date of the Declaration the unconveyed interest in Common Elements (which Declarants shall not have power to convey except as provided in Section 16.3 above) in the Initial Project shall automatically be transferred to and vested in the then-Owners of the six Condominium Units in equal shares, without further conveyance. (i.e. Each such Owner would own an undivided 1/6 of the Common Elements of the Initial Project.) If less than eighteen additional Units shall have been constructed within eight years from the date of the Declaration, the unconveyed interest in Common Elements (which the Declarants shall not have power to convey except as provided in Section 16.3 above) in the Project shall automatically be transferred to and vested in the then-Owners of Condominium Units in

equal shares, without further conveyance. (e.g. If a total of sixteen units have been constructed each Owner would own an undivided 1/16 of the Common Elements of the Project.) If there is a conveyance pursuant to this Section, Declarants or their heirs, devisees, successors or assigns shall record in the Mesa County, Colorado, real estate records a statement of the fact that no additional Units or fewer than eighteen Units were constructed within that eight-year period. Recordation of such statement shall be conclusive evidence of the facts stated therein but shall not be essential to the transfer.

ARTICLE XVII. Revocation or Amendment to Declaration.

Section 17.1 This Declaration shall not be revoked nor shall any of the provisions herein be amended unless the Owners representing an aggregate ownership interest of 85% or more of the Condominium Units, as reflected on the real estate records of Mesa County, Colorado, and all of the holders of any recorded Mortgage covering or affecting any or all of the Condominium Units consent and agree to such revocation or amendment by instruments duly recorded.

ARTICLE XVIII. Period of Condominium Ownership.

Section 18.1 The condominium ownership created by the Declaration, Amended Declaration and the Condominium Map shall continue until the Declaration and any amendments thereto are revoked in the manner provided in Article XVII of this Amended Declaration or until terminated in the manner provided in Article XV (obsolescence) of this Amended Declaration.

Section 18.2 If Condominium Units are not constructed upon the Cagle-Corn Unimproved Property within eight years from the date of the Declaration, the Declaration and any amendment thereto shall be of no further force or effect upon the Cagle-Corn Unimproved Property and Cagle and Corn shall have the right to dispose of such property in any manner they so choose with the sole restriction that any building to be erected thereon shall not exceed 15 feet in height. This restriction shall be construed as a restrictive covenant running with the Cagle-Corn Unimproved Property.

ARTICLE XIX. Miscellaneous.

Section 19.1 Compliance with Provisions of Declaration and Articles of Incorporation and By-Laws of the Association. Each Owner shall comply with the provisions of the Declaration, Amended Declaration, the Articles of Incorporation and By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

Section 19.2 Registration of Mailing Address; Notices. Each Owner shall register his mailing address with the Association and all notices or demands intended to be served upon any Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the Articles of Incorporation and By-Laws of the Association. All notices or demands to be served on Mortgagees pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee at such address as the Mortgagee may have furnished to the Association in writing. Unless the Mortgagee furnishes the Association such address, the Mortgagee shall be entitled to receive none of the notices provided for in this Amended Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section.

Section 19.3 Owner's Obligations Continue. All obligations of the Owner under and by virtue of the provisions contained in the Declaration and Amended Declaration shall continue, notwithstanding that he may have conveyed said interest as provided herein, but the Owner of a Condominium Unit shall have no obligation for expenses or other obligations accruing after he conveys such Condominium Unit.

Section 19.4 Severability. If any of the provisions of this Amended Declaration or any paragraph, sentence, clause, phrase or word or the application thereof in any circumstance be invalidated, such invalidity shall not affect the validity of the remainder of the Amended Declaration, and the application of any such provision, paragraph, sentence, clause, phrase or word in any other circumstances shall not be affected thereby.

Section 19.5 Statute. The provisions of the Declaration and Amended Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

Section 19.6 Applicability. This Amended Declaration shall be binding upon the undersigned, their heirs, devisees, successors and assigns.

This Amended Declaration is executed as of the 4th day of November, 1968.

Cloy R. Brown
Cloy R. Brown

Evelyn B. Brown
Evelyn B. Brown

D. G. Son
D. G. Son

Mabel B. Son
Mabel B. Son

Wallace Corn
Wallace Corn

Muriel M. Corn
Muriel M. Corn

Jack R. Cagle
Jack R. Cagle

Frances M. Cagle
Frances M. Cagle

Linda B. Thomas
Linda Thomas

Emmett Elizondo
Emmett Elizondo

Maria M. Elizondo
Maria M. Elizondo

DECLARANTS

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 4th day of November, 1968, by Cloy R. Brown, Evelyn B. Brown, D. G. Son, Mabel B. Son, Wallace Corn, Muriel M. Corn, Jack R. Cagle, Frances M. Cagle, Emmett Elizondo and Maria M. Elizondo.

Witness my hand and official seal.

My Commission expires June 28, 1970.



Gregory K. Hooker
Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF MESA)

The foregoing instrument was acknowledged before me this 4th day of November, 1968, by Thomas.

Witness my hand and official seal.

My Commission expires July 25, 1970.



Mildred A. Miller
Notary Public