

DECLARATION OF
COVENANTS, CONDITIONS AND RESTRICTIONS
FOR
GLENBOROUGH CONDOMINIUMS

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4801 SOUTH, LTD., a Colorado limited partnership, (the "Declarant"), as the owner of certain real property located in the City and County of Denver, Colorado, and more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Properties"), which Properties consist of three (3) individual Units to be sold, and related Common Elements as set forth on Condominium Map(s) recorded or to be recorded, hereby makes the following grants, submissions, and declarations:

DECLARATION

NOW, THEREFORE, Declarant declares that the Properties and such additions as may hereafter be made are and shall be held, transferred, sold, conveyed and occupied subject to the following uniform covenants, conditions, restrictions, easements, charges and liens which shall run with the real property and be binding on all persons having or acquiring any right, title or interest in the Properties or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of, be binding upon, and be enforceable by Declarant, its successors in interest, each Owner and his successors in interest, and Glenborough Condominium Association and its successors in interest.

I. DEFINITIONS

The following terms shall have the following meanings when used, unless the context otherwise requires:

1.1 Association. "Association" shall mean and include Glenborough Condominium Association, a Colorado nonprofit corporation, its successors and assigns.

1.2 Glenborough Condominiums. "Glenborough" or "Glenborough Condominiums" shall mean the Project and the Properties as defined in Section 1.21.

1.3 Board of Directors. "Board of Directors" or "Board" shall mean and include the governing body of the Association as provided in this Declaration, the Articles of Incorporation and the By-Laws thereof.

1.4 Building. "Building" shall mean and include any Building constructed on the Properties as shown on the Condominium Map.

1.5 Common Elements. "Common Elements" shall mean and include all of the Properties and all of the improvements now or hereinafter constructed thereon, excluding the Units. The Common Elements shall consist of General Common Elements and Limited Common Elements. The Common Elements shall be owned by the Owners of the separate Units, as tenants in common, each Owner of a Unit having an undivided interest in such Common Elements as is hereinafter provided.

1.5.1 "General Common Elements" shall mean and include the Properties; the structural components of the Buildings, including but not limited to the foundations, girders, beams, lintels, supports, roofs and bearing and structural walls; the yards, gardens, unassigned parking areas and storage areas; chimneys; installations of central services such as power, light, gas, water, sewer and common heating; the service roads, if any; such improvements and

DEFINITION

The Clerk and Recorder for the
CITY AND COUNTY OF DENVER State
of Colorado hereby certifies that this
document to be a full, true, and
correct copy of the original
document recorded in my office.

are normally and reasonably in general common use, including the air above the Properties. The General Common Elements shall include all tangible physical properties of the Project except Limited Common Elements and the Units.

1.5.2 "Limited Common Elements" shall mean and include those parts of the Common Elements which are either limited to and reserved for the exclusive use of an Owner of a Condominium Unit or are limited to and reserved for the common use of more than one but fewer than all of the Owners. The limited Common Elements shall include, by way of illustration and not limitation, certain air conditioning equipment, balconies, patios and parking and storage spaces which are specifically designated as being appurtenant to a particular Unit. The term "Limited Common Elements" shall also mean certain other parking, carport or garage spaces, some of which may not be initially assigned by the date on which this Declaration is recorded, but which are subsequently assigned by the Declarant or the Association to the Owner of one or more Condominium Units by deed, Supplement to this Declaration or other document.

1.6 Common Expense. "Common Expense" shall mean and refer to:

1.6.1 Expenses of administration, operation or management, repair, maintenance or replacement of the Common Elements of the Project;

1.6.2 Expenses declared Common Expenses by the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association;

1.6.3 All sums lawfully assessed against the Units by the Board of Directors of the Association;

1.6.4 Expenses determined to be Common Expenses by the Association;

1.6.5 Expenses as are provided in any management agreement applicable to the Properties; and

1.6.6 Expenses incurred in the maintenance of any property over which the Association has a license and maintenance agreement with public agencies, authorities or utilities, including, but not limited to Public Service Company of Colorado and the City and County of Denver, Colorado.

1.7 Condominium Map. "Condominium Map," "Map" or "Supplemental Map" shall mean a map of the Project prepared in accordance with C.R.S. § 38-33.3-209, which shall include an engineering survey of the Properties depicting and locating thereon all of the Improvements; the floor and elevation plan of each Building, including but not limited to a three-dimensional air lot survey, and any other drawing or diagrammatic plan depicting a part or all of the improvements and land which are included in this Project, all of which are more fully described in Sections 1.21 and 1.4.

1.8 Condominium Unit "Condominium Unit" means the fee simple interest and 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.

1.9 Declarant. "Declarant" shall mean and include 4801 South, Ltd., a Colorado limited partnership, its successors and assigns, if such successors and assigns should acquire all Units owned by Declarant for the purpose of development and sale and a notice of assignment of Declarant's rights hereunder is recorded in the records of the Office of the Clerk and Recorder of City and County of Denver, Colorado, specifying the assignee of Declarant's rights.

1.10 Declarant Control Period. "Declarant Control Period" means the period of time beginning on the date on which the Declaration is recorded in the records of the Clerk and Recorder of the City and County of Denver, Colorado, and ending on the happening of any of the following events, whichever occurs first:

1.10.1 Upon the date sixty (60) days after the date on which Declarant has conveyed seventy-five percent (75%) of the Maximum Number of Units to purchasers other than Declarant; or

1.10.2 Upon the date two (2) years after the date of Declarant's last conveyance of a Unit in the ordinary course of business;

1.10.3 Upon the date two (2) years after the date on which any right to add new Units to the Project was last exercised by Declarant;

1.10.4 Upon the date ten (10) years after the effective date of this Declaration; or

1.10.5 On a date certain set forth in a written notice from Declarant to the Secretary of the Association of its intent to terminate this reserved right as of such date; provided, however, that in the event there is more than one Declarant, such notice must be signed by all such Declarants.

1.11 Declaration. "Declaration" shall mean and include this instrument together with any and all supplements and/or amendments hereto recorded in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado.

1.12 First Mortgage. "First Mortgage" shall mean and refer to any unpaid and outstanding mortgage, deed of trust or other security instrument recorded in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, encumbering any Unit having priority of record over all other recorded liens except those governmental liens made superior by statute (such as general ad valorem tax liens and special assessments). "First Mortgage" shall also mean and refer to any executory land sales contract wherein the Administrator of Veterans Affairs, an Officer of the United States of America, is the seller, whether such contract is recorded or not, and whether such contract is owned by the Administrator or has been assigned by the Administrator and is owned by the Administrator's assignee, or a remote assignee, and the land records in the Office of the Clerk and Recorder of the City and County of Denver, Colorado show the Administrator as having the record title to the Unit.

1.13 First Mortgagee. "First Mortgagee" shall mean and include the holder or beneficiary of any recorded First Mortgage.

1.14 Improvement. "Improvement" shall mean and refer to any improvement constructed on the Project, including, but not limited to any Building, garage, out-building, structure, fixture, landscaping, site grading, driveway, sidewalk, drainage channel, culvert, roadway, fence, wall, deck, patio, shed, swimming pool, or pond, located on any part of the Project or Properties.

1.15 Licensed Property. "Licensed Property" shall mean and include any property owned by a governmental unit or entity which is maintained by the Association and used by the Members pursuant to a license agreement with a governmental unit or entity.

1.16 Maximum Number of Units. "Maximum Number of Units" shall mean the total number of Units which may be created in the Project, initially or through subsequent annexations. The Maximum Number of Units shall not exceed fifty-four (54) Units without an amendment to this Declaration approved in the manner provided in Section 5.6.

1.17 Member. "Member" shall mean and refer to those persons entitled to membership in the Association. "Member" and "Owner" (as hereinafter defined) may be used interchangeably herein, unless the context provides otherwise.

1.18 Mortgage. "Mortgage" shall mean and include any recorded mortgage, deed of trust or other security instrument by which a Unit or any part thereof is encumbered.

1.19 Mortgagee. "Mortgagee" shall mean and include a beneficiary under a Mortgage.

1.20 Owner. "Owner" or "Condominium Unit Owner" shall mean and include any person or entity, including the Declarant, at any time owning a 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. The terms "Owner" and "Member" (as hereinabove defined) may be used interchangeably herein, unless the context provides otherwise.

1.21 Properties and Project. "Properties" and "Project" shall mean and refer to that certain real property described on Exhibit A, and any additions thereto pursuant to Article XIII hereof. The Project shall be a "condominium" for purposes of C.R.S. §§ 38-33.3-101, *et seq.*, as the Common Interest Ownership Act exists on the date on which this Declaration is recorded in the records of the office of the Clerk and Recorder of the City and County of Denver, Colorado. The Project shall include the Units and Common Elements.

1.22 Supplementary Declaration. "Supplementary Declaration" shall mean any Declaration of Covenants, Conditions, or Restrictions which may be recorded on a portion of the Properties which is in addition to this Declaration and contains covenants, conditions, and restrictions, in addition to those set forth herein applicable only to that portion of the Properties.

1.23 Unit. "Unit" shall mean an individual air space unit contained within the perimeter walls, floors, ceilings, windows and doors of a Unit, or other boundary lines shown on the Condominium Map, in a Building situated on the Properties, and as shown and described on a Condominium Map recorded in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, together with (i) all fixtures and improvements therein, except for common physical utility facilities; (ii) the inner decorated or finished surfaces of such Unit's perimeter walls, floors and ceilings; and (iii) the interior nonsupporting walls within the Unit. The term does not include, however, the undecorated or unfinished surfaces of the perimeter walls, floors and ceilings of a Unit, or any other Common Element or part thereof located within the Unit.

II. CONDOMINIUM OWNERSHIP

2.1 Submission to Condominium Ownership. Declarant hereby submits the Project and the Properties to condominium ownership pursuant to the Common Interest Ownership Act and the Condominium Ownership Act as the same exist on the date this Declaration is recorded in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado.

2.2 Division of Property into Units; Conveyance. The Properties are hereby divided into three (3) fee simple estates, i.e., 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 this reference.

2.3 Limited Common Elements. Subject to the definition thereof in Section 1.5.2, the Limited Common Elements shall be identified on the Map. Any balcony, porch, patio or storage space which is accessible from, associated with and which adjoins 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. Similarly, certain air conditioning equipment which is situated on the ground adjacent to a Building and which shall serve only one Unit shall be a Limited Common Element appurtenant to such Unit and shall be maintained, repaired and operated solely by the Owner or Owners of such Unit. No reference need be made to any Limited Common Elements which are exclusive or nonexclusive, in any instrument of conveyance or in any other instrument in accordance with Section 2.4 of this Declaration, except as specifically required above.

2.4 Description of Condominium Unit.

2.4.1 Every contract for the sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying Unit designation, and Building number, if any, followed by the words "Glenborough Condominiums." The location of such Condominium Unit shall be depicted on a Map subsequently recorded. Upon recordation of the Condominium Map in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, such description shall conclusively be presumed to relate to the Condominium Units described therein.

2.4.2 After the Condominium Map and this Declaration have been recorded, every contract, deed, lease, Mortgage, deed of trust, will or other instrument may legally describe a Condominium Unit as follows:

Condominium Unit No. _____, Building _____, Glenborough Condominiums, in accordance with the Declaration recorded on _____, 19____, in Book _____ at Page _____, Reception No. _____, and Condominium Map recorded on _____, 19____, in Book _____ at Page _____, Reception No. _____, of the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado.

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 such Unit and all other appurtenant properties and property rights, and incorporate all of the rights, limitations, and burdens incident to ownership of a Condominium Unit as described in this Declaration and the Condominium Map. Each such description shall be construed to include a nonexclusive easement for ingress and egress to and from an Owner's Unit and the use of all General Common Elements as well as all of the Limited Common Elements appurtenant to such Unit.

2.4.3 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 thereto.

2.5 Condominium Map. The Map may be filed for record in parts or sections. The initial Map and each supplement thereto shall be recorded prior to the conveyance of any of the Condominium Units shown thereon. The initial Map and the supplements thereto shall conform to the requirements of the Common Interest Ownership Act and the Condominium Ownership Act, as then in effect and shall depict and show in the aggregate at least the following: the legal description of the Properties and a survey thereof; the location of the Buildings in reference to the exterior boundaries of the Properties; the floor and elevation plans of the Units; the location of the Units within the Buildings, both horizontally and vertically; the thickness of the common walls between or separating the Units; and the location of any structural components or supporting elements of the Buildings located within a Unit. Each such Map shall contain the certificate of a registered professional engineer, licensed architect or registered land surveyor certifying that the Map substantially depicts the actual or intended location and the horizontal and vertical measurements of the Units, the Unit designations, the Building designations, the location of any parking spaces, garages, carports and the elevations of the constructed unfinished floors and ceilings of the Units. If the Condominium Map is prepared before the Buildings shown thereon have been constructed, the Map shall be amended after the Buildings are complete and the amended Map shall include an affirmation that such Map was prepared subsequent to substantial completion of the improvements shown thereon. In interpreting the Map, the existing physical boundaries of each separate Unit as constructed shall conclusively be presumed to be its boundaries.

2.6 Inseparability of a Condominium Unit. Each Unit, the appurtenant undivided interest in the Common Elements, as well as all other appurtenances, rights and burdens shall together comprise one Condominium Unit, which Condominium Unit shall be inseparable and

may be conveyed, leased, devised or encumbered only as a Condominium Unit. An Owner shall be entitled to lease any parking or storage space, which is a Limited Common Element appurtenant to such Unit, to any other Owner; provided, however, that the term of such lease will expire, if not before, upon the sale of either Owner's Condominium Unit.

2.7 Separate Assessment and Taxation. Declarant shall give written notice to the Assessor of the City and County of Denver, Colorado, of the creation of condominium ownership in the Project, as is provided by law, so that each Unit and the undivided interest in the Common Elements appurtenant to such Unit shall be deemed a separate parcel of real estate for purposes of separate assessment and taxation.

2.8 Form of Ownership; Title. A Condominium Unit may be held and owned in any real property tenancy or estate recognized under the laws of the State of Colorado.

2.9 Owners' Interest in Common Elements. As part of his ownership of a Condominium Unit, each Owner shall own an undivided interest in the Common Elements as a tenant in common with all of the other Owners, which shall be an interest appurtenant to his Unit. This undivided interest allocated to each Unit shall be as set forth on Exhibit B, attached hereto and incorporated by this reference, and shall be determined as a fraction, the numerator of which shall be the gross floor space (in square feet) of the Unit and the denominator of which shall be the gross floor space (in square feet) of all Units then subject to this Declaration, computed according to the following formula:

Allocated Interest = the gross floor space (in square feet) of the Condominium Unit divided by the total gross floor space (in square feet) of all Condominium Units within the entire Project.

2.10 Nonpartitionability and Transfer of Common Elements. The Common Elements shall be owned by all of the Owners of the Units as tenants in common and shall remain undivided. By the acceptance of a deed or other instrument of conveyance or assignment, each Owner specifically waives his right and agrees not to institute and/or maintain a partition action or any other action designed to cause a division of the Common Elements. Each Owner agrees that this Section 2.10 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 this Section, the actual damages and costs, including but not limited to the costs and fees of counsel, that the Association incurs in connection with such an action. Further, all Owners and the Association covenant that, except as provided in Section 10.1, they shall neither by act nor omission seek to abandon, subdivide, encumber, sell or transfer the Common Elements without first obtaining the written consent of the First Mortgagees of the individual Condominium Units as provided in Section 5.6 hereof. Any such action without the prior written consent of the First Mortgagees shall be null and void.

2.11 Use of General and Limited Common Elements. Each Owner shall be entitled to exclusive ownership and possession of his Unit and the right of ingress and egress from a public way. Each Owner may use the appurtenant General and Limited Common Elements in accordance with the purpose for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. The Association may adopt rules and regulations governing the use of the General and Limited Common Elements, but such rules and regulations shall be uniform and nondiscriminatory. Each Owner, by the acceptance of his deed or other instrument of conveyance or assignment, agrees to be bound by the existing and subsequently adopted rules and regulations. The Association shall be empowered to adopt rules and regulations governing the use of parking areas, provided that such rules and regulations shall be uniform and nondiscriminatory.

III. PROPERTY RIGHTS

3.1 Owners' Easements of Enjoyment. Except as otherwise provided in Article II, every Owner of a Condominium Unit shall have a nonexclusive right in common with all of the other

Owners to the use of sidewalks, open areas, streets and drives located within the entire Project. In addition to the rights of use herein described and elsewhere described in this Declaration, the Association, its Board of Directors and its Management Contractor 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 the General or Limited Common Elements.

3.2 Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Elements, to the members of his family, tenants, invitees, or contract purchasers who reside in his Unit.

3.3 Termination of Mechanic's Lien Rights. No person or entity furnishing labor or materials in a Unit with the consent or at the request of an Owner, his agent, contractor or subcontractor shall be entitled to file a mechanic's or other lien against the Common Elements or the Unit of any other Owner who has not consented to or requested the work. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against all liability arising from the claim of any mechanic's or other lien against the Common Elements or any other Owner's Condominium Unit for construction performed or labor, services or materials furnished or supplied in the Owner's Condominium Unit at the Owner's request. Notwithstanding anything in this Section to the contrary, any Mortgagee of a Condominium Unit who shall become the Owner of that Condominium Unit pursuant to a lawful foreclosure sale or the acceptance of a deed in lieu of foreclosure shall be under no obligation to indemnify and hold harmless any other Owner or the Association for claims arising prior to the date such Mortgagee shall have become an Owner.

IV. EASEMENTS

4.1 Easements for Encroachments. If any portion of the Common Elements now or hereafter encroaches upon any Unit or Units, or if any portion of any Unit now or hereafter encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction of the Buildings or other Improvements, or if any such encroachments shall occur hereafter as a result of (i) settling or shifting of any Building or other Improvements, (ii) alteration or repair to the Common Elements, or (iii) repair or restoration of one or more Buildings or Units after damage by fire or other casualty, or condemnation or eminent domain proceedings, or (iv) for any other reason, a valid easement shall be deemed to exist for the encroachment and for the maintenance of the same shall exist so long as the Building stands or the encroachment shall exist. In the event any Building, Unit, or adjoining Common Elements shall be partially or totally destroyed or taken as a result of condemnation or eminent domain proceedings and then rebuilt at the same location, encroachments due to this rebuilding shall be permitted, and valid easements for such encroachment and the maintenance thereof shall exist so long as the Building or other Improvements shall stand. The foregoing encroachments shall not be construed or determined to be encumbrances either on the Common Elements or on any Unit affecting the marketability of title to any Unit. In interpreting any and all provisions of this Declaration, subsequent deeds to or Mortgages relating to Condominium Units, the actual location of a Unit shall conclusively be deemed to be the property intended to be conveyed, reserved or encumbered, notwithstanding any minor deviations, either horizontally, vertically or laterally from the location of such Unit indicated on the Condominium Map.

4.2 Maintenance Easement. An easement is hereby granted to the Association, its officers, directors, agents, Management Contractors, employees and assigns upon, across, in, over and under the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration, including but not limited to the right to construct and maintain on the Common Elements maintenance and storage facilities for the use of the Association. The Association is hereby granted the right to create easements upon, across, in over and under the Common Elements for installing, replacing, repairing and maintaining all utilities, including but not limited to water, sewer, gas, telephone, electricity, master television antenna system, and cable television, if any; provided, however, that such easements are reasonably necessary for the ongoing development

and operation of the Project.

4.3 Emergency Easement. An easement for ingress and egress is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon all streets and upon the Project in the performance of their duties.

4.4 Maintenance of Limited Common Elements Easement. There is hereby granted to each Owner of a Condominium Unit an easement on, over and across the Common Elements as may be necessary or appropriate to enable such Owner to perform maintenance, repair or other work upon any air conditioning unit which is a Limited Common Element appurtenant to his Unit and which is located adjacent to the Building in which the Owner's Unit is situated.

V. THE ASSOCIATION

5.1 The Association. The interests of all Owners of Condominium Units within the Project shall be governed and administered by this Declaration and the Articles of Incorporation and By-Laws of the Glenborough Condominium Association, a Colorado nonprofit corporation.

5.2 Membership. An Owner of a Unit shall automatically become a Member of the Association and shall remain a Member for the period of the Owner's Unit ownership. If title to a Unit is held by more than one person, the membership related to that Unit shall be shared by all such persons in the same proportion of interests and by the same type of tenancy in which the title of the Unit is held. An Owner shall be entitled to one membership for each Unit owned. Each membership shall be appurtenant to the Unit and shall be transferred automatically by conveyance of the Unit. No Member shall be entitled to a preemptive right or option to purchase any Unit. No person or entity other than an Owner may be a Member of the Association, but the rights of membership may be assigned to a Mortgagee as further security for loans secured by a Mortgagee of a Unit.

5.3 Voting Rights: Declarant Control.

5.3.1 Voting Rights. The Owners shall comprise the only class of membership in the Association. All Owners shall be entitled to one (1) vote for each Unit owned on any matter on which voting by the Owners is permitted or required by this Declaration, the Articles of Incorporation or By-Laws of the Association. When more than one (1) person holds an interest in any Unit, all such persons shall be Members. The vote for such Unit shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Unit.

5.3.2 Declarant Control. Declarant shall be entitled to exercise certain of the reserved rights specified in this Declaration only during the Declarant Control Period, including but not limited to the right to appoint the members of the Board of Directors of the Association as provided in Section 5.4.2.

5.3.3 Notwithstanding the foregoing and during the Declarant Control Period only, the Owners other than Declarant shall be entitled to elect at least one (1) but not more than one-third (1/3) of the members of the Board of Directors, upon the happening of the following events:

5.3.3.1 At a meeting of the Association called for this purpose within sixty (60) days after the date on which Declarant has conveyed twenty-five percent (25%) of the Maximum Number of Units to purchasers other than Declarant, the Owners other than Declarant shall be entitled to elect at least one (1) but not more than twenty-five percent (25%) of the members of the Board of Directors, whichever is greater.

5.3.3.2 At a meeting of the Association called for this purpose within sixty (60) days after the date on which Declarant has conveyed fifty percent (50%) of the Maximum Number of Units to purchasers other than Declarant, the Owners other than Declarant

shall be entitled to elect at least one (1) but not more than one-third (1/3) of the members of the Board of Directors, whichever is greater.

5.3.4 Within sixty (60) days after the termination of the Declarant Control Period:

5.3.4.1 Declarant shall deliver to the Association those items of property described in C.R.S. § 38-33.3-303(9) which are then in existence and in Declarant's custody or control.

5.3.4.2 All of the Directors appointed by Declarant shall resign as Directors of the Association.

5.3.4.3 The Owners shall hold a meeting of the Association to fill the vacancies on the Board of Directors in the manner provided by Section 5.4.1.

5.4 Board of Directors.

5.4.1 The Association shall be managed by its Board of Directors. The Board of Directors shall be elected by a vote of the Owners in annual meetings or special meetings of the Association, at which a quorum is present, called for that purpose according to the Articles of Incorporation and By-Laws of the Association. The Board of Directors shall have such powers and duties and shall serve for such terms of office as are set forth in the Articles of Incorporation and By-Laws of the Association.

5.4.2 Notwithstanding the foregoing voting rights of the Owners, Declarant hereby reserves the right to appoint the Board of Directors of the Association during the Declarant Control Period; PROVIDED, HOWEVER, that during the Declarant Control Period, the Declarant shall not be entitled to vote for any members of the Board of Directors in any election held pursuant to Section 5.3.3 above.

5.4.3 Notwithstanding any provision to the contrary in this Declaration, the Owners other than Declarant shall be entitled to remove any member of the Board of Directors, other than any Director appointed by Declarant, by the affirmative vote of sixty-seven percent (67%) of the Owners other than Declarant without the prior written approval of the First Mortgagees.

5.5 Transfer. Except as otherwise expressly stated herein, none of the rights, interests and obligations of the Association set forth or reserved herein may not be transferred or assigned to any other person or entity. No such transfer or assignment shall relieve the Association of any of the obligations set forth herein. No such transfer or assignment shall revoke or change any of the rights or obligations of any Owners as set forth herein.

5.6 Powers. The Association shall be granted all of the powers described in C.R.S. § 38-33.3-302, including but not limited to all powers necessary to govern, manage, maintain, repair, administer, and regulate the Project and to perform all of the duties required of the Association. Notwithstanding the preceding sentence, unless sixty-seven percent (67%) of the First Mortgagees, who have registered pursuant to Section 16.7 below (based upon one (1) vote for each First Mortgage owned or held), have given their prior written approval as provided in Section 16.8 below, and the Owners to which sixty-seven percent (67%) of the votes in the Association are allocated have given their prior written approval, the Association shall not be empowered or entitled to:

5.6.1 By act or omission, seek to abandon or terminate the Project or dissolve the Association;

5.6.2 Partition or subdivide any Unit;

5.6.3 Annex any additional land into the Project by means of an amendment to this Declaration and the procedure set forth in Article XIII hereof;

5.6.4 Merge or consolidate with another project or association, except for such provisions as may otherwise be provided herein relating to the annexation of additional lands to the Properties;

5.6.5 Except as may result from the exercise of the annexation provisions in this Declaration, change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

5.6.6 Change the voting rights or the proportionate interest in and to the Common Elements;

5.6.7 By act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or exterior appearance of Buildings, or the maintenance or upkeep of the Common Elements; or

5.6.8 Fail to maintain fire and extended coverage on insurable Common Elements on a current replacement cost basis in an amount not less than one hundred percent (100%) of the insurable value (based on current replacement costs); or

5.6.9 Alter any portion of the Project, including the Common Elements or any Building, in a manner which constitutes a substantial departure from the Condominium Map, as amended or supplemented.

Notwithstanding the foregoing provisions in this Section, unless sixty-seven percent (67%) of the First Mortgagees who have registered pursuant to Section 16.7 (based upon one vote for each First Mortgagee owned or held) have given their approval as provided in Section 16.2, and the Owners to which eighty percent (80%) of the votes in the Association are allocated have been given their prior written approval, including all of the Owners of any Units which would not be rebuilt under (ii) below, the Association shall not be empowered or entitled to:

(i) Abandon, partition, subdivide, mortgage, encumber, sell or transfer the Common Elements or any Common Elements Improvements thereon or any Unit (provided that the granting of easements for utilities, including cable television, or for other public purposes consistent with the intended uses of such Common Elements by the Association shall not be deemed a transfer); or

(ii) Use hazard insurance proceeds for loss to any part of the Project (whether as to Units or Common Elements) for other than the repair, replacement or reconstruction of such Property, except as otherwise provided in the Act, in case of substantial loss to the Units or Common Elements.

5.7 Examination of Books and Records. All Owners, First Mortgagees, insurers or guarantors of a First Mortgage of a Unit in the Project shall, upon request, be entitled to:

5.7.1 Inspect the books and records of the Association during normal business hours;

5.7.2 Receive a copy of a financial statement of the Association for the preceding fiscal year at no charge;

5.7.3 Written notice of all meetings of the Association and be permitted to designate a representative to attend all of such meetings; and

5.7.4 Receive current copies of this Declaration, By-Laws, Articles of Incorporation and any Rules and Regulations concerning the Project, provided that reasonable

copying charges are advanced to the Association by the party requesting copies.

If requested by a holder, insurer or guarantor of a First Mortgage in writing, an audited financial statement for the immediately preceding fiscal year will be provided free of charge to the party so requesting, if available. If an audited financial statement is unavailable, then one shall be prepared at the expense of the party so requesting and furnished within a reasonable time following such request.

5.8 Additional Property. The Association may acquire and hold for the benefit of all of the Owners any real or personal property and may dispose of the same by sale or otherwise. The beneficial interest in any such property shall be owned by all of the Owners in the same proportions as their respective interests in the Common Elements, and the Owners' interests shall not be transferable except with the conveyance of a Condominium Unit. A conveyance of a Condominium Unit shall transfer to the grantee ownership of a grantor's beneficial interest in all property interests which are associated with or appurtenant to the Owner's Condominium Unit, including but not limited to the interest in property owned by the Association as provided herein.

VI. CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

6.1 Common Elements.

6.1.1 The Association, subject to the rights and obligations of Owners with respect to their individual Units, shall be responsible for the exclusive management and control of the Common Elements (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition. The Association shall also be responsible for providing water, sewer, lighting and other utility services to the Common Elements. The Association may, upon acceptable license and maintenance agreements with public agencies, utilities, or jurisdictions, assume responsibility for maintaining any sidewalks, fences, landscaping improvements and other improvements within rights-of-way and other properties owned by such public agencies on property owned by such public agencies, utilities, or jurisdictions, including, but not limited to, the City and County of Denver, Colorado. The cost of such management, operation, maintenance, and repair by the Association shall be borne as provided in Article VII.

6.1.2 The Association shall have the irrevocable right, which shall be exercised by the Association's Board of Directors, officers, custodian or Management Contractor to have access to each Unit from time to time as may be necessary to maintain, repair or replace any of the Common Elements in or accessible from that Unit, or at any hour to perform emergency repairs, maintenance or inspections in that Unit to prevent or minimize damage to the Common Element or any other Unit. Non-emergency repairs shall be made only during ordinary business hours after at least twenty-four (24) hours advance notice to the occupants of the Unit in which the repairs are to be made, unless the occupants have no objection to earlier entry for such repairs. In emergency situations, the occupants of the affected Unit or Units shall be warned of impending entry as early as is reasonably possible under the circumstances

6.1.3 Damage to the interior or any part of a Unit, except for Owner-installed or constructed improvements, which result from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of any emergency repairs within another Unit at the direction of the Association, shall be a Common Expense of all Owners; provided, however, that if the damage needed to be repaired is caused by the negligent or tortious acts of an Owner, members of his family, his agents, employees, invitees or tenants, then each Owner shall be responsible and liable for all such damage and all costs associated with such damage shall immediately become that Owner's obligation, which must be promptly paid. That obligation shall become a Common Expense as to the Owner's Unit only and shall constitute a lien on that Owner's Unit as provided in Article VII. All damaged Improvements shall be restored substantially (to the extent reasonably practical) to the same condition as they existed prior to the damage. All maintenance, repair and replacement of Common Elements

whether located inside or outside of Units (unless necessitated by the negligent or tortious acts or misuse of an Owner, in which case such expense shall be charged to that Owner), shall be a Common Expense of all the Owners. Notwithstanding anything to the contrary in this Section, the Association shall have no duty to seek redress for damages caused by a negligent or tortious Owner. This Section shall not be interpreted or construed to abrogate the provisions of Article IX insofar as they pertain to insurance.

6.2 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 Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others, to furnish lighting, heating, water, trash collection, snow removal, building and grounds maintenance, sewer service, firewood, and other services as appropriate to the Project. During the Declarant Control Period, any contracts or leases entered into shall contain a right of termination, without cause, which is exercisable without penalty at any time after transfer of control, upon not more than ninety (90) days prior written notice to the other party thereto; however, such right of termination need not be present in those contracts and leases wherein the subject matter is an essential service and where long term contracts are required. The cost of such services shall be borne as provided in Article VII.

6.3 Professional Management. The Association may obtain and pay for services of a professional "Management Contractor" to manage its affairs, or any part thereof, to the extent it deems advisable, whether such services are in lieu of, or supplemental to, the services described under Section 6.2 above. During the Declarant Control Period, any management contracts entered into by the Association with respect to such professional management of the Properties, and any contracts that such professional management shall enter into on behalf of the Association, shall be for a term not to exceed one (1) year, and must contain a provision allowing either party to cancel the contract with or without cause, and without a payment of a termination fee or penalty, upon thirty (30) days prior written notice. Further, and in connection with the Association's right to contract for management and personnel, whether on-site or off-site in nature, the Association shall have the right to limit the use of portions of the Common Elements for purposes of maintenance and storage facilities, management office facilities, management housing facilities to the extent allowable, and other such purposes as deemed desirable and necessary by the Association for the purposes of management and maintenance of the Properties. The professional Management Contractor shall be an independent contractor and neither the contractor, nor any of its employees, shall be considered as employees of the Association.

6.4 Maintenance of Units.

6.4.1 For maintenance purposes, an Owner shall be deemed to own: the windows and doors; the interior nonsupporting walls, floors and ceilings of his Unit; the materials such as, but not limited to plaster, gypsum drywall, paneling, wallpaper, paint, wall and floor tile, finished surface flooring and other materials which make up the finished surfaces of the perimeter walls, floors and ceilings within the Unit. An Owner, however, shall not be deemed to own the pipes, wires, conduit or systems (which are General Common Elements and for brevity are herein and hereafter referred to as "utility facilities") running through his Unit which serve one or more other Units, except as a tenant in common with the other Owners. Such utility facilities shall not be disturbed or relocated by an Owner without the written prior consent and approval of the Board of Managers, 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.

6.4.2 An Owner shall maintain and keep in repair the interior of his own Unit, including the fixtures and utilities located therein to the extent current repair shall be necessary

in order to avoid damaging other Condominium Units or the Common Elements. 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 no act or any work that will alter the appearance of the Common Elements or impair the structural soundness of the Buildings or impair the proper functioning of the utility facilities or heating, electrical, fire extinguishing, air conditioning or plumbing systems or the structural integrity of the Buildings or impair any easement or hereditament or damage any other component of the Project. An Owner shall always keep the balcony, porch or patio area adjoining and appurtenant to his Unit and any other Limited Common Elements appurtenant thereto in a safe, clean, orderly and sanitary condition.

6.4.3 In addition to the foregoing, an Owner shall be obligated to maintain and keep in repair any air conditioning equipment which is a Limited Common Element appurtenant to his Unit, notwithstanding the fact that the air conditioning equipment is situated on the Common Elements and not totally contained within the individual air space comprising the Owner's Unit.

6.5 Maintenance and Common Elements.

6.5.1 The Association shall have the duty of maintaining and repairing all of the Common Elements within the Project, except air conditioning units which are Limited Common Elements appurtenant to a Unit; provided, however, that in any case where any air conditioning equipment is in such a state of disrepair as to be dangerous to the other Common Elements or to any individual Unit or any person (besides the Owner thereof), then the Association may, and upon the request of any aggrieved Owner, shall cause the repair, replacement, or removal of such air conditioning equipment at the expense of the Owner of the Unit served by such air conditioning equipment, such expenses to be added to the next monthly Common Expense assessment of the Owner of the Unit served by such equipment. The cost of these maintenance and repairs 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, subject, however, to Articles X and XI hereof.

6.5.2 The Association shall provide to the Owners the following services which shall be paid for out of the Common Expense assessment, to wit:

- (i) Maintaining the Common Elements, except as otherwise provided, and maintaining any private roads and drives;
- (ii) Administering and managing the Project;
- (iii) Providing lighting and any other appropriate services for the Common Elements;
- (iv) Obtaining and maintaining the insurance required in Article IX hereof;
- (v) Enforcing of the provisions set forth in this Declaration and the Association's rules and regulations, and collecting of all obligations owed to the Association by the Owners;
- (vi) Acting as attorney-in-fact in the event of damage or destruction as provided for in Article X hereof; and
- (vii) Performing all other acts required by this Declaration or the Articles of Incorporation and By-Laws of the Association.

6.5.3 Notwithstanding anything in the foregoing to the contrary, the Association may enter into one or more contracts or agreements with one or more persons or entities, to perform any or all of the services set forth in this Declaration, including but not limited to the

services set forth in this Section.

6.6 Alterations to General and Limited Common Elements. During the Declarant Control Period, the Association shall make no capital alterations, additions or improvements of or to the General or Limited Common Elements requiring an expenditure in excess of an amount equal to ten percent (10%) of the Association's budget for any calendar or fiscal year in any one (1) calendar year without the prior written approval of sixty-seven percent (67%) of the Owners of Units. Following the termination of the Declarant Control Period, the Association shall make no capital alterations, additions or improvements of or to the General or Limited Common Elements requiring an expenditure in excess of an amount equal to ten percent (10%) of the Association's budget for any calendar or fiscal year in any one (1) calendar year without the prior written approval or the affirmative vote (in person or by proxy) at a properly called meeting of the Association at which a quorum is present of a majority of the Owners of the Condominium Units, except in cases of emergency as determined by the Board of Directors exercising its reasonable discretion. Nothing in this Section shall apply to prevent or limit the right of the Association to perform maintenance and repair of the Common Elements as provided in Section 6.5 or to perform repairs or replacement of the Common Elements in the event of damage, destruction or condemnation as provided in Articles X and XI hereof.

6.7 Identity of Board of Directors. From time to time, but not less than annually, there shall be mailed by the Association to each Owner a notice containing the names and addresses of the members of the Board of Directors, and the Management Contractor, if there is one.

6.8 Rights of Action. The Association and any Owner, shall have an appropriate right of action against any other Owner for failure to comply with the provisions of this Declaration or with decisions of the Association made pursuant to this Declaration; and any Owner shall have similar rights of action against the Association.

VII. ASSESSMENTS

7.1 Obligation. All Owners (including Declarant) shall be obligated to pay the estimated assessments imposed by the Board of Directors to meet the Common Expenses of maintenance, operation and management of the Property, the Association, and the various functions and duties of the Association. The Board may establish any reasonable system for periodic collection of Common Expenses, in advance or arrears as deemed desirable. Initially, the assessment for the estimated Common Expenses on an annual basis shall be payable monthly in advance on the first day of each month. In the event a Unit is sold to a non-Declarant purchaser during the year, the annual assessment shall be prorated to the closing date and paid at closing, together with the working capital deposit required by Section 7.12 hereof. Assessments made shall be based upon the estimated cash requirements as the Board shall from time to time determine to be paid by all of the Owners. Estimated expenses shall include the cost of maintenance and operation of the Common Elements, Common Elements Improvements, cost of maintenance of the publicly owned properties subject to a license and maintenance agreement as described in Section 6.1, expenses of management, taxes and special assessments, unless separately assessed, insurance premiums for insurance coverage as required herein or as deemed desirable or necessary by the Board, landscaping, care of grounds, wages, legal and accounting fees, management fees, expenses and liabilities incurred by the Board or Management Contractor under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund for the maintenance or replacement of those Common Elements Improvements which must be maintained or replaced on a periodic basis as well as other costs and expenses relating to the Common Elements, Licensed Property, and the purposes and responsibilities of the Association. The omission or failure of the Board to fix the assessments for any assessment period shall not be deemed a waiver, modification, or release of the Owners from their obligation to pay the same. The Board shall have the right, but not the obligation, to make pro-rata refunds of any assessments in excess of the actual expenses incurred after the end of the fiscal year.

7.2 Maximum Annual Assessment. Until January 1 of the year immediately following

the conveyance of the first Unit to an Owner, the maximum annual assessment shall be One Hundred Twenty-Five Dollars (\$125.00) per Unit per month.

7.2.1 Without a vote of the Members, beginning on January 1 of the year immediately following the conveyance of the first Unit to an Owner and only for the Declarant Control Period, the Board of Directors may increase the maximum annual assessment by an amount of not more than fifty percent (50%) of the maximum assessment for the previous year.

7.2.2 Without a vote of the Members, from and after January 1 of the year immediately following the termination of the Declarant Control Period, the Board of Directors may only increase the maximum annual assessment by an amount of not more than ten percent (10%) of the maximum assessment for the previous year.

7.2.3 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 by an amount in excess of ten percent (10%) by a vote of sixty-seven percent (67%) of the votes in the Association who are voting in person or by proxy, at a meeting duly called for this purpose.

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

7.3 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Units, and may be collected on an annual or more frequent basis, as determined by the Board of Directors. The assessment for each Unit shall be the amount of estimated expenses determined by the Board under Sections 7.1 or 7.5 divided by the number of the Condominium Units in the Project (including any Units owned by Declarant or any Participating Builder).

7.4 Time For Payment of Assessments. Assessments shall be due and payable within fifteen (15) days after written notice of the amount thereof shall have been mailed to the registered mailing address of the respective Owner of a Unit. Each assessment shall bear interest at the rate of twenty-one percent (21%) per annum from the date it becomes due and payable if not paid within fifteen (15) days after such date, and there shall be a Twenty Dollar (\$20.00) late charge for each installment of assessment payment that is delinquent. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date fifteen (15) days after the due date indicated in the properly sent notice. The Association may elect to have the annual assessments paid monthly, or such other periodic basis deemed desirable by the Association; and a default in the payment of any one installment of the annual assessment shall additionally give the Association the right to accelerate the remaining amount of annual assessment as immediately due and payable, as further referenced hereinafter.

7.5 Special Assessments For Capital Improvements. In addition to the annual assessments authorized by this Article, the Board of Directors 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 Project or any part thereof, or for any other expense or purchase incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing the expense authorized by other Sections hereof which shall make specific references to this Article or as set forth in the preceding sentence. Any amounts assessed pursuant hereto shall be assessed to Owners at a uniform rate. 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 notice shall have been mailed to the registered mailing address of the respective Owner. A special assessment shall bear interest at the rate of twenty-one percent (21%) per annum from the date it becomes due and payable, if not paid within thirty (30) days after such

date, and there shall be a reasonable late charge as set by the Board of Directors.

7.6 Budget Ratification.

7.6.1 At least ninety (90) days prior to levying any annual or special assessment, the Board of Directors shall adopt a proposed budget of the estimated cash requirements for that assessment. Within thirty (30) days after that proposed budget is adopted, the Secretary of the Association (on behalf of the Board of Directors) shall cause to be delivered to each Owner at his or its registered address, by regular United States mail, first-class postage prepaid, the following: (i) a summary of the proposed budget, (ii) a statement of the amount of the assessment per Unit and the number and amount of any installments thereof, and (iii) a notice of a meeting of the Association which shall specify (a) that the purpose or one of the purposes of the meeting is to allow the Owners to vote on the proposed budget, and (b) the date, place and time of the meeting. The meeting shall be held not less than fourteen (14) nor more than sixty (60) days after the date on which the notice is mailed to the Owners.

7.6.2 At the meeting held pursuant to this Section 7.6, the proposed budget shall be submitted to the Owners for approval. Unless sixty-seven percent (67%) of the Owners (regardless of whether a quorum is present) affirmatively vote against approving the proposed budget in person or by proxy, the proposed budget shall be deemed ratified by the Association. In the event a proposed budget is not ratified, the most recent periodic budget in effect shall continue until the Owners ratify a subsequent budget proposed by the Board of Directors. If the proposed budget is not ratified, the Board of Directors shall propose a subsequent budget within fifteen (15) days after the date of the meeting and submit that proposed budget for ratification by the Owners in the manner set forth above for the originally proposed budget.

7.7 Assessment Lien.

7.7.1 All sums assessed but unpaid for the share of Common Expenses or special assessments chargeable to any Unit, including any fees, late charges, fines, interest, costs or attorneys' fees, shall constitute a lien on such Unit superior to all other liens and encumbrances except (a) tax and special assessment liens on the Unit in favor of a taxing authority and (b) all sums unpaid on a First Mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. Notwithstanding anything in the preceding sentence, the lien provided by this Article VII shall be prior and superior to a First Mortgage with respect to annual assessments for Common Expenses with respect to annual assessments for Common Expenses in an amount equal to the Common Expense assessment based on a periodic budget adopted by the Association under Section 7.6, which would have become due, in the absence of any acceleration, during the six (6) months immediately preceding institution by either the Association or any party holding a lien senior to any part of the Association lien of an action or a nonjudicial foreclosure either to enforce or to extinguish the lien. To evidence the lien as herein permitted, the Board of Directors may, but shall not be required to, prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the Owner, and a description of the Unit and record the same in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Unit by the Association in the manner for foreclosing a mortgage on real property. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid assessments, any interest and penalties thereon, the costs and expense of such proceedings, the costs and expense for filing the notice of the lien, and all reasonable attorneys' fees in connection therewith.

7.7.2 The Association shall have the power to bid on a Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any Mortgagee holding a Mortgage on a Unit may pay any unpaid assessment payable with respect to such Unit and any and all costs and expenses with respect thereto, and the Mortgagee shall have a lien on such Unit for the amounts paid shall have the same priority as the lien of the Mortgage. Except as otherwise provided in Section 7.7.1 above, the lien for assessments referred to herein shall be

at all times subordinate to the lien of any First Mortgage held by a First Mortgagee. By accepting a deed to a Unit, each Owner shall thereby waive and release any and all rights and claims said Owner may have in and to the Unit as a homestead exemption or any other exemption.

7.8 Personal Obligation. The amount of any assessment chargeable against any Unit shall be a personal and individual debt of the Owner thereof. No owner may become exempt from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the Common Elements or Common Elements Improvements. The Association may bring suit to recover a money judgment against the Owner for unpaid Common Expenses plus interest and expenses, including attorney fees, without foreclosing or waiving the assessment lien provided herein.

7.9 Notice to First Mortgagee. If requested in writing, the Association shall report to the First Mortgagee of a Unit any default hereunder or unpaid assessments remaining in default or unpaid or uncured for longer than sixty (60) days.

7.10 Statement of Status of Assessment Payment. Upon payment of a reasonable fee of not less than Twenty-Five Dollars (\$25.00) (except for First Mortgagees who shall be exempt from such fee) and upon the written request of any Owner, Mortgagee, or representative of an Owner or Mortgagee, delivered to the Association by certified mail, first-class postage prepaid, return receipt requested, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such Unit, which shall be delivered to the inquiring party by certified mail, first-class postage prepaid, return receipt requested to the inquiring party at his or its address set forth in such request. Unless such request shall be complied with within fourteen (14) days after receipt of that request by the Association, and if the request was properly addressed and sent by certified mail, first-class postage prepaid, return receipt requested, then 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. If the request is made by a prospective purchaser, the lien for the unpaid assessment shall be released automatically if the statement is not furnished within the fourteen (14) day period herein; provided thereafter, an additional written request is made by such purchaser, and the submission of the additional request is properly addressed and evidenced by a certified mail receipt and the request is not complied with within ten (10) days and the purchaser subsequently acquires the Unit.

7.11 Personal Liability of Purchaser For Assessments. A purchaser of a Unit shall not be personally liable for unpaid assessments against the Unit up to the time of conveyance to purchaser.

7.12 Working Capital and Assessment Reserves.

7.12.1 Each Owner originally purchasing a Unit from Declarant shall be required to deposit and maintain continuously with the Association an amount equal to one-sixth (1/6), i.e., two months, of the amount of the first annual Common Expense assessment, such reserve amount to be held without interest accruing to the Owner, which sum shall be used by the Association or Management Contractor as a working capital fund. This amount may be recovered by a seller from a purchaser at the time of resale. After the expiration of the Declarant Control Period, in the event the Board decides there is and will be sufficient working capital without this fund, and the reserve for repair and replacement of the Common Elements is equal to or greater than the amount of the working capital fund, then this amount may be returned to each current Owner. Such advance payment shall not relieve an Owner from making the regular monthly installment payment of the annual Common Expense assessment as the same becomes due, nor shall the Association be required to deduct from such advance payment sums due for Common Expense assessments by an Owner prior to instituting any proceedings against the Owner for delinquent Common Expense assessments.

7.12.2 The Association shall establish an adequate reserve fund for the

maintenance, repair and replacement of the Common Elements and Common Elements Improvements maintained by the Association. This reserve fund shall be maintained through regular installments of Common Expense assessments.

7.13 Association's Right of Acceleration Upon Default. In addition to any other remedies provided for the Association upon the default of an Owner in the payment of an annual assessment, special assessment, or any installment thereof, and in the event an Owner shall default in the payment of any installment of an annual or special assessment, then the Association shall have the right to declare immediately due and owing the total amount of such annual or special assessment as remains outstanding at the time of such installment default. This right of acceleration in the event of installment default shall apply whether the Association pursues the obligation personally against the Owner or through foreclosure of the Owner's Unit, as provided above.

VIII. RESTRICTIVE COVENANTS AND OBLIGATIONS

8.1 Residential. Subject to Declarant's right to use Units and the Common Elements during the construction and sales period as provided in Section 8.2, the Units are hereby restricted to residential use and uses related to the convenience and enjoyment of such residential use by the Owner, the Owner's family, and his guests or tenants. No residential buildings other than the Buildings shown on the Condominium Map shall be erected or constructed on the Property except by an amendment to the Declaration and Condominium Map approved in the manner provided by Section 5.6. No structures of a temporary nature, trailers, basements, tents, shacks, garages or other out-buildings shall be used or permitted to be kept or stored on any portion of the Project at any time, either temporarily or permanently.

8.2 Sales Facilities of Declarant. Notwithstanding any provision in Section 8.1, Declarant and Participating Builders, their agents, employees and contractors shall be permitted to maintain during the period of construction and sale of the Buildings in the Project 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 construction, sale or rental of Units including, but not limited to construction and storage area, signs, not more than three (3) model Units and not more than one (1) sales office within any Units in the Project owned by Declarant, which collectively shall not exceed ten thousand (10,000) square feet of floor space, construction trailers, parking areas not to exceed ten thousand (10,000) square feet of gross area, and lighting, and temporary parking facilities for all employees of Declarant; provided, however, that the limit on Declarant's right to use the Property for sales purposes shall not limit its right to use the property for construction or development purposes. These rights shall terminate no later than ten (10) years after the effective date of this Declaration and shall not interfere in any way with the right of ingress or egress to any privately owned Dwelling Unit and the use and enjoyment thereof as a private residence, nor the rights of ingress or egress to the Common Elements and Improvements thereon, nor the use thereof for recreation or other proper purposes by the Owners and the Members, agents and Officers of the Association.

8.3 Compliance With Law. No immoral, offensive, improper or unlawful use shall be permitted or made of the Properties or any part thereof. All valid laws, ordinances, and regulations of all governmental bodies having jurisdiction over the Project shall be observed.

8.4 Rules and Regulations. Rules and Regulations may be adopted by the Board of Directors concerning and governing the use of the Common Elements, provided such Rules and Regulations shall be furnished to the Owners prior to the time they are adopted and that the Owners shall be notified as provided in the By-Laws of the Association that the Board of Directors will consider adoption of the Rules and Regulations so that the Owners will have an opportunity to be heard or furnish input regarding the adoption and so that such Rules and Regulations shall be uniform and nondiscriminatory. After adoption, a copy of such Rules and Regulations shall be provided to all Owners. The Association may also adopt a fine system to impose monetary penalties for such infractions, or take judicial action against any Owner to enforce compliance with such Rules, Regulations, or other obligations, including injunctive relief

or to obtain damages for noncompliance, all to the extent permitted by law. The Board of Directors may adopt and publish a fine schedule which shall list fines which shall be imposed for violations of this Declaration, the Association By-Laws, Articles of Incorporation, and any Rules and Regulations.

8.5 No Other Business. No other business activity of any kind shall be conducted in any Unit or on the Project, except that permitted by the Association or otherwise provided herein.

8.6 Miscellaneous Use Restrictions.

8.6.1 Antennas. Except for any which may be erected by the Association with the prior written approval of Declarant, no exterior radio or television antenna, aerial, satellite dish, or other type of radio or television receiving system shall be erected or maintained on the Project.

8.6.2 Transmitters. No electronic or radio transmitter of any kind other than garage door openers shall be located or operated in or on the Project or any Unit without the prior written approval of the Association's Board of Directors.

8.6.3 Nuisances. No noise or other nuisance shall be permitted to exist or operate in the Project or any Unit so as to be, in the opinion of the Board, offensive or detrimental to any other property or its occupants. Without limiting the generality of any of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes) shall be located, used or placed on any Unit without the prior written approval of the Board. No rubbish or debris of any kind shall be placed or permitted to accumulate upon any Unit and no odors shall be permitted to arise therefrom so as to render any such property or any portion thereof, in the opinion of the Board, unsanitary, unsightly, offensive or detrimental to any other property or to its occupants.

8.6.4 Unsightly Articles. No unsightly article shall be permitted to remain in the Project or any Unit so as to be visible from any other Unit, the Common Elements, or public or private thoroughfares. Without limiting the generality of the foregoing:

(i) No automobiles, commercial-type vehicles, campers, trailers, boats, recreational vehicles, trucks or other motorized vehicles shall be stored or parked on the Common Elements or on any common driveway except while engaged in transport to or from a Building.

(ii) No abandoned or inoperative vehicles of any kind shall be stored or parked on any portion of the Project, except as provided herein. An "abandoned or inoperable vehicle" shall be defined as any vehicle which has not been driven under its own propulsion for a period of three (3) weeks or longer; provided, however, that this definition will not include vehicles properly parked by Owners while on vacation or traveling. The Association may cause a written notice describing the "abandoned or inoperable vehicle" and requesting removal thereof to be served on the Owner in possession of the vehicle or the parking, carport, or garage space in which the vehicle is located, or posted on the unused vehicle itself. If the vehicle shall not have been removed within seventy-two (72) hours after service or posting of that notice, the Association shall have the right to remove the same without any liability to the Association, and the Association may charge the Owner in possession of the vehicle with the expense of removal as an additional Common Expense against the Owner's Unit only.

8.6.5 Signs and Flags. No sign or flag or any kind shall be displayed to the public view on any Unit; provided, however, that signs and United States or Colorado flags of reasonable size not to exceed five (5) square feet may be displayed on or from a Unit. Any such signs shall be solely for advertising the residence for sale or lease or indicating that the residence has been "sold" for a period of two weeks after closing. Signs and flags used for sale, administration and directional purposes by Declarant during development, construction and sale of Units in Glenborough will be permitted.

8.6.6 Hazardous Activities. No hazardous activities shall be conducted in any Unit or on the Common Elements or any part thereof. No activities shall be conducted and nothing shall be kept in any Unit or on the Common Elements or any part thereof which would result in the cancellation of the insurance carried by the Association or increase the rate of premiums for the insurance carried by the Association over what it would pay but for that activity, without the prior written approval of the Association.

8.6.7 Garage Sales. No garage, patio, porch or lawn sale shall be held on any Unit without the prior written approval of the Association.

8.6.8 Storage of Building Materials. No building materials shall be stored in any Unit except temporarily during continuous construction of a Building or its approved alteration or improvement.

8.6.9 Temporary Structures. No trailer, mobile home, tent or shack or other temporary building, improvement or structure shall be placed upon any property, except that temporary structures necessary for storage of tools and equipment and for office space for architects, builders and foremen during actual construction may be maintained by Declarant.

8.6.10 Livestock, Poultry, and Pets. No animals, livestock or poultry shall be raised, bred or kept on the Project, except that not more than two (2) dogs, cats or other common household pets may be kept per Unit; provided, however, that the Owner shall be responsible for any damage caused by any pet kept in an Owner's Unit. Every pet shall be strictly controlled and no pet shall be allowed to make or cause disturbing noises or odors or otherwise constitute a nuisance to any other Owner. The Association may adopt rules and regulations with regard to household pets kept in any Unit, including regulations limiting the size of such pets.

8.6.11 Window Coverings. All windows shall be covered with curtains, drapes, or other acceptable coverings within no more than six (6) months after occupancy. Window coverings visible from the exterior shall be compatible with the architectural character of the residence. Reflective shades or film type window coverings are specifically prohibited.

8.6.12 Firewood. Firewood shall be neatly stacked and shall be located within the confines of the patio or balcony that constitutes a portion of the Limited Common Elements appurtenant to such Unit.

8.6.13 Lease of Units. The Owner of a Condominium Unit shall have the right to lease his Condominium Unit subject to the following conditions and covenants:

- (i) No Owner may lease less than his entire Condominium Unit;
- (ii) All leases shall be in writing for a term of not less than six (6) months;
- (iii) All leases shall provide that the terms of the lease and the lessee's occupancy of the Condominium Unit shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, as well as any rules or regulations promulgated by the Association. Any lessee who fails to comply with all of the terms of this Declaration, the Articles and By-Laws, and any rules and regulations of the Association shall be deemed in default under that lease. Any Owner who leases his Condominium Unit shall provide a copy of the lease to the Association within ten (10) days after execution; and
- (iv) No Owner may lease his Condominium Unit for transient or hotel purposes.

IX. INSURANCE

9.1 Comprehensive General Liability and Property Insurance.

9.1.1 Comprehensive general liability and property damage insurance shall be purchased by the Board of Directors and shall be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense. If Declarant pays the premium, it shall be entitled to reimbursement from the Association. The insurance shall be carried with reputable companies authorized to do business in the State of Colorado, in such amounts as the Board may determine; the insurance carrier should have a current rating by Best's Insurance Reports of VI or better, or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance Reports of VI or better.

9.1.2 A comprehensive policy of general liability insurance shall be in force for a minimum amount of One Million Dollars (\$1,000,000.00) per occurrence, covering all claims for bodily injury and/or property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles, liability for property of others, and, if applicable, host liquor liability and other risks which are customarily covered with projects similar in construction, location, and use. The policy or policies shall name as insureds all of the Owners, the Association, each member of the Board of Directors, the Management Contractor, and their respective agents and employees. Declarant shall be named as an additional insured on such policy or policies until such time as Declarant shall have conveyed all the Units in the Project. The policy or policies shall insure against loss arising from perils in the Common Elements and in any other areas which the Association has a maintenance responsibility and shall include contractual liability coverage to protect against such liabilities as may arise under the contractual exposures of the Association or the Board of Directors.

9.1.3 The policy or policies shall contain a clause conclusively establishing that the Association's policy shall be primary insurance and a "severability of interest" clause or endorsement which shall preclude the insurer from denying a claim of an Owner or the Association because of negligent acts of the Association or other Owners.

9.2 Fire and Hazard Insurance. Fire and hazard insurance shall be purchased by the Board of Directors and shall thereafter be maintained in force at all times, the premiums thereon to be paid by the Association as a Common Expense, such policy to cover all Common Elements Improvements. The policy or policies shall be of a master or blanket type with a standard all risk endorsement, and insure against loss from perils therein including broad form coverage on all of the Improvements in the Common Elements, except such as may be separately insured, and except land, foundation, excavation and other items normally excluded from coverage. Such policy or policies shall contain extended coverage, vandalism, and malicious mischief endorsements, and shall conclusively establish that the Association's insurance shall be primary insurance. The Improvements to be insured under this clause shall be continually insured to value, and the policy or policies shall contain replacement cost insurance. If reasonably available, the policy or policies shall contain a stipulated amount clause, or determinable cash adjustment clause, or similar clause to permit a cash settlement covering specified value in the event of destruction and a decision not to rebuild. The policy or policies shall name as insureds the Association and Declarant. The policy or policies shall also cover personal property owned by the Association or in common by the Owners, their tenants, invitees or agents, and shall further contain a waiver of subrogation rights by the carrier as to negligent Owners. If Declarant pays the premium for said policy or policies, it shall be entitled to reimbursement from the Association. The insurance shall be carried with reputable companies authorized to do business in the State of Colorado, in such amounts as the Board may determine. The insurance carrier should have a current rating by Best's Insurance Reports of VI or better or a financial rating of Class VI and a general policyholder's rating of at least A. If the insurer does not meet this rating requirement, the insurer must be reinsured by a company that does have a current rating by Best's Insurance reports of VI or better.

9.3 No Individual Fire Insurance on Common Elements. The blanket policy or policies to be carried by the Association and referenced under Section 9.2 above must provide that it is primary over any policy or policies separately carried by an individual Unit Owner and that the proceeds of the individual policy or policies carried by such Owner shall only be used to the extent that the proceeds of the insurance carried by the Association are insufficient to cover any losses to the Common Elements.

9.4 Owner's Personal Liability and Property Insurance. An Owner may carry such property, fire and personal liability insurance as such Owner may desire. It is understood that the Association policies described herein will provide no insurance coverage for the Units or the improvements therein.

9.5 Fidelity Insurance Coverage. The Association shall provide for fidelity coverage against dishonest acts on the part of the Officers, Directors, Management Contractors, employees or volunteers responsible for handling funds belonging to or administered by the Association. The fidelity bond or insurance shall name the Association as the named insured and shall be written in an amount sufficient to provide protection, which in no event shall be less than one and one-half (1.5) times the Association's estimated annual operating expenses and reserves. In connection with such coverage, an appropriate endorsement to the policy to cover any person or persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

9.6 Other Insurance. The Board of Directors may purchase and maintain in force as a Common Expense, debris removal insurance, plate or other glass insurance, fidelity bonds, and other insurance or bonds that it deems necessary. The Board shall purchase and maintain worker's compensation insurance to the extent that the same shall be required by law respecting employees of the Association. Notwithstanding any other provisions herein, the Association shall continuously maintain in effect such casualty, flood and liability insurance, and a fidelity bond, meeting the insurance and fidelity bond requirements for such project established by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and Government National Mortgage Association, so long as any are a Mortgagee or Owner of a Unit within the Properties, except to the extent such coverage is not available or has been waived in writing by either or all of the above.

9.7 Attorney in Fact. The Association is hereby appointed the attorney in fact for all Owners to negotiate loss adjustment on the policy or policies carried by the Association under this Article IX.

9.8 Proceeds. The Association shall receive the proceeds of any casualty insurance payments received on the policies obtained and maintained pursuant to this Article. To the extent that repairs and reconstruction are required herein and there is a determination that the Properties shall not be rebuilt, the proceeds shall be distributed in the manner provided in Article X regarding casualty, damage or destruction.

9.9 Notice of Cancellation or Modification. The policy and/or policies required by Sections 9.1, 9.2 and 9.5 must provide that they cannot be cancelled or substantially modified, by any party, without at least ten (10) days prior written notice to the Association, and to each holder of a First Mortgage which has requested in writing that it be listed as a scheduled holder of a First Mortgage in the insurance policy.

9.10 Annual Review of Policies. All insurance policies shall be reviewed at least annually by the Board of Directors to ascertain whether the coverages contained in the policies are sufficient for the upcoming year, whether any necessary repairs or replacements of the property which occurred in the preceding year were covered by insurance, and that all possible insurance claims have been filed.

9.11 Deductibles. No insurance policy applicable to either fire or extended coverage shall contain a deductible clause which exceeds the greater of:

- (i) Five Hundred Dollars (\$500.00); or
- (ii) One percent (1%) of the face amount of the policy.

If an Owner, who by negligent or willful act, causes damage to the Common Elements or other Properties which are insured as a Common Expense, then that Owner shall bear the whole cost of the deductible required in the blanket insurance policy for the Association on the Common Elements and other such Properties. An Owner shall be responsible for any action of members of his family, his tenants or his guests which cause damage to said Common Elements or other Properties.

9.12 Directors' and Officers' Liability Insurance. If available at a reasonable cost, the Association shall obtain and maintain adequate liability coverage to protect against any negligent act upon the part of the Directors or Officers of the Association.

9.13 Waivers. All such policies of insurance shall contain waivers of subrogation and waivers of any defense based on an invalidity arising out of the acts of a Member of the Association.

X. CASUALTY

10.1 Association As Agent and Attorney In Fact. All of the Owners irrevocably constitute and appoint the Association as their true and lawful agent and attorney in fact in their name, place and stead for the purposes of dealing with the Property upon its damage, destruction, obsolescence and/or condemnation as hereinafter provided. Acceptance by any grantee of a deed from Declarant or from any Owner shall constitute appointment of the Association as agent and attorney in fact as herein provided.

10.2 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 an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the Common Elements Improvements as used in this Article means restoring Project to substantially the same condition in which it existed prior to damage. The proceeds of any insurance collected shall be used by the Association for the purpose of repair or reconstruction unless the Owners and First Mortgagees determine not to use the insurance proceeds for repair or reconstruction in the manner provided in Section 5.6.

10.3 Notices and Cost Estimates. As soon as practical after an event causing damage to, or destruction of any part of the Common Elements, the Association shall immediately obtain estimates that it deems reliable of the cost of repair or reconstruction of that part of the Project damaged or destroyed.

10.4 Insurance Proceeds Sufficient to Repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or construction after a casualty pursuant to the estimate of costs obtained by the Association, then such repair or reconstruction shall be promptly performed by the Association as attorney in fact for the Owners pursuant to this Article.

10.5 Insurance Proceeds Insufficient to Repair.

10.5.1 If the insurance proceeds are insufficient to repair or reconstruct the damage or destroyed Common Elements or Common Elements Improvements, such damage shall be repaired as promptly as possible by the Association and any costs of such repair or reconstruction in excess of insurance proceeds available shall be assessed against all Owners as a Common Expense pursuant to Article VII, unless the Owners and the First Mortgagees who have registered pursuant to Section 16.7 agree not to rebuild or reconstruct the Project in the manner provided in Section 5.6. In that event, the President and the Secretary or Assistant Secretary of the Association shall promptly execute a notice setting forth the fact that the Owners

and First Mortgagees have agreed, in the manner required by Section 5.6, not to repair or reconstruct the Project. Upon recording that notice in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, the Association, as the attorney in fact for all of the Owners, shall collect the proceeds of any insurance, and shall divide them according to each Owner's interest in the Common Elements as provided in this Declaration, and shall deposit such proceeds into separate accounts, each account representing one Condominium Unit. Each account shall be held in the name of the Association and shall be further identified by the Condominium Unit designation and the Owner's name (as registered with the Association), represented by that account. From each separate account, the Association as attorney in fact, shall disburse the total amount in each account, without contribution from one account to the other, toward the full or partial payment of the lien of any first mortgage encumbering the Condominium Unit represented by such account. The total funds of each account shall be used and disbursed, without contribution from one account to the other, in the following order:

10.5.1.1 For payment of the balance of the lien of any First Mortgage encumbering any Condominium Unit;

10.5.1.2 For payment of taxes and special assessment liens in favor of any taxing authority;

10.5.1.3 For payment of unpaid Common Expenses and any and all costs, expenses and fees incurred by the Association;

10.5.1.4 For payment of any other Mortgage or encumbrance in the order of and to the extent of their priority; and,

10.5.1.5 The balance remaining, if any, shall be paid to the Condominium Unit Owner.

10.5.2 Promptly after disbursing the insurance proceeds as provided in Section 10.5.1, the Association shall sell the entire Project free and clear of the provisions contained in this Declaration, the Map, the Articles of Incorporation and By-laws, as amended or supplemented. During the period prior to this sale, assessments for Common Expenses shall not be abated for any Owner. The Association shall collect the proceeds from that sale, and shall divide them according to each Owner's interest in the Common Elements as provided in this Declaration, and shall deposit such proceeds into separate accounts, each account representing one Condominium Unit. Each account shall be held in the name of the Association and shall be further identified by the Condominium Unit designation and the Owner's name (as registered with the Association), represented by that account. From each separate account, the Association as attorney in fact, shall disburse the total amount in each account, without contribution from one account to the other, toward the full or partial payment of the lien of any first mortgage encumbering the Condominium Unit represented by such account. The total funds of each account shall be used and disbursed, without contribution from one account to the other, in the following order:

10.5.2.1 For payment of the customary expenses and of sale of the Project;

10.5.2.2 For payment of the balance of the lien of any First Mortgage encumbering any Condominium Unit;

10.5.2.3 For payment of taxes and special assessment liens in favor of any taxing authority;

10.5.2.4 For payment of unpaid Common Expenses and any and all costs, expenses and fees incurred by the Association;

10.5.2.5 For payment of any other Mortgage or encumbrance in the order of and to the extent of their priority; and,

10.5.2.6 The balance remaining, if any, shall be paid to the Condominium Unit Owner.

XI. CONDEMNATION

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

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

11.2 Complete Taking.

11.2.1 In the event 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.

11.2.2 On the basis set forth in Section 11.2.1, 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 as provided in Section 10.5.

11.3 Partial Taking. In the event that less than the entire 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 apportioned to those Condominium Units which were not taken or condemned; (iii) the respective amounts allocated to the taking of or damages 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 determines to be equitable in the circumstances or as determined by judicial decree. 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 Section 10.5.

11.4 The Association shall timely notify each First Mortgagee of any Condominium Unit, provided the Mortgagee has registered pursuant to Section 16.7, of the commencement of the condemnation or eminent domain proceedings and shall notify the First Mortgagees in the event of the taking of all or any part of the Common Elements, if the value of the Common Elements taken exceeds Ten Thousand Dollars (\$10,000.00).

XII. GENERAL RESERVATIONS

12.1 Reservation of Easements, Exceptions, and Exclusions. Declarant reserves the right to establish from time to time, by dedication or otherwise, utility (including cable television) and other easements, for purposes including but not limited to streets, paths, walkways, drainable recreation areas, parking areas, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions consistent with the ownership of the Properties for the best interest of all Owners and the Association in order to serve all the Owners within the Project. The rights herein reserved unto Declarant shall continue until Declarant no longer retains an interest in the Project, or ten (10) years after the effective date of this Declaration, whichever occurs first.

12.2 Rights of Declarant Incident to Construction. An easement is hereby retained by and granted to Declarant for access, ingress, and egress over, in, upon, under, and across the Project, including but not limited to the right to store materials thereon and to make such other use thereof as may be reasonably necessary or incidental to Declarant's construction on the Properties; provided, however, that no such rights or easements shall be exercised by Declarant in such a manner as to unreasonably interfere with the occupancy, use, enjoyment, or access by any Owner, his family members, guests, or invitees, to or of that Owner's Unit.

XIII. ENLARGEMENT OF PROJECT (ANNEXATION)

13.1 Special Rights Reserved to Declarant: Enlargement of Project.

13.1.1 Declarant shall have the absolute right, but not the obligation, and same is hereby specifically reserved unto Declarant to be exercised within ten (10) years after the effective date of this Declaration, to annex to the land and Improvements described in this Declaration and the Map herein referred to, and thereby to submit to each and every provision of this Declaration the land described on Exhibit C, attached hereto and incorporated herein by this reference, or any portions thereof, together with the Improvements to be constructed thereon. It is the intention of Declarant that the lands described on Exhibit C may be annexed to the land covered by this Declaration by additional phases. Such phases may be added by Declarant either in the aggregate or on a phase by phase basis, by a portion of a phase, or any combination thereof, with the result being that this Project may be increased up to the Maximum Number of Units, or such lesser amount of Units as may be reflective of the Declarant's decision to add either no additional phases or such lesser number of phases desired.

13.1.2 Any Units or Buildings constructed on the property described on Exhibit C to be annexed into the Project by Declarant shall substantially conform to the architectural style of previously constructed Units or Buildings.

13.1.3 Any annexation as herein reserved unto Declarant shall be accomplished by the recording of a supplement to this Declaration and the Map in the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado.

13.1.4 There is hereby reserved unto Declarant the irrevocable power of attorney, coupled with an interest, to execute, acknowledge, and deliver such further instruments and to do such further acts and/or things as may be from time to time required in order to accomplish the purposes of this Article XIII, including the right, if necessary, to amend the Articles of Incorporation or By-Laws, and to act on behalf of the Association to obtain such accomplishment. Each Owner and each and every Mortgagee of a Unit in the Project shall be deemed to have acquiesced to the Supplements to this Declaration and to any required Supplements to the Map for the purpose of adding additional Units and Common Elements to the Project in the manner set forth in this Article XIII, and shall be deemed to have granted unto Declarant an irrevocable power of attorney, coupled with an interest, to effectuate, execute, acknowledge and deliver any such instruments, if any, and to do such other acts and things as may be deemed necessary or desirable by Declarant, its successors or assigns, to properly accomplish the supplements contemplated by this Article XIII. Such supplements shall contain

at least the following information:

(i) A legal description of the particular phase being annexed, including a proper legal description of the Units and the Common Elements located therein;

(ii) A statement that the lands are being annexed pursuant to the particular provisions of Article XIII hereof;

(iii) A statement to the effect that the phase, when annexed, shall be deemed to be included within the Project covered by this Declaration and, thereby, subject to all of the terms, provisions, covenants, conditions, reservations, charges, and liens, including assessments, applicable hereunder as well as expressly subject to all of the provisions of the Articles of Incorporation and the By-Laws of the Association referenced hereunder.

13.1.5 Upon the Declarant's annexation of any additional property to this Declaration, the undivided interest in the Common Elements (including all Common Elements located on the property described in Exhibit A attached hereto, all Common Elements located on the additional property contained in such annexation, and all Common Elements contained in any other property annexed to this Declaration prior to such annexation) appurtenant to each Condominium Unit shall automatically be reduced to a fraction, the numerator of which shall be the gross floor space (in square feet) of the Condominium Unit and the denominator of which shall be the total gross floor space (in square feet) of all Condominium Units then subject to this Declaration, and the undivided interest in the Common Elements appurtenant to each Condominium Unit described in and annexed by such Supplemental Declaration shall be calculated by the same fraction. Such reduction of undivided interest in the Common Elements appurtenant to a Condominium Unit shall be automatic and no further documentation need be filed of record or further action need be taken by the Declarant, any Owner or any Mortgagee to reflect such modification in undivided interests.

13.1.6 Annexations to the Project pursuant to this Section will contain new additions to the General and Limited Common Elements, which additions may contain any or all of the types of General and Limited Common Elements described herein. Notwithstanding any such annexation, each Owner (regardless of whether such Owner is the Owner of a Condominium Unit enumerated in Exhibit B attached hereto or is the Owner of a Condominium Unit contained in an annexation) shall remain fully liable in accordance with this Section hereof with respect to his obligation for the payment of the Common Expenses of the Association, including the expenses for such new General and Limited Common Elements and new recreational facilities, costs, and fees, if any.

13.1.7 As additional Condominium Units are submitted to this Condominium Project and in order that the Common Expenses of this Condominium Project be shared proportionately 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 prorated in accordance with the following formula:

Individual Assessment = Total Common Expenses for the Project divided by the number of all Condominium Units located within the entire Project.

13.1.8 Each Condominium Unit, regardless of the number of Owners, shall be entitled to one vote for all purposes hereunder and such voting interest shall not be changed by the enlargement of this Condominium Project or otherwise.

13.1.9 Each Owner shall have the nonexclusive right, together with all other Owners, to use all Common Elements, open spaces, recreational facilities, grass, and landscaping areas, and all other areas in the Project which are not herein specifically dedicated to the use of less than all of the Owners. This easement shall be irrevocable and shall be for the purposes of egress and ingress, recreational and social use, and shall apply to all property hereafter committed to this Project.

13.2 Assessments and Voting Rights. On the date of recordation of any annexation by supplement to this Declaration, the assessment responsibility indicated in Section 7.1 and the voting rights outlined in Section 5.3, appurtenant to the annexed Units, shall become effective.

13.3 Future Improvements. All future Improvements to the Project shall be consistent with initial Improvements in terms of quality of construction.

13.4 Association's Right to Annex Property. The Association shall have the right to annex additional property, including but not limited to the property described on Exhibit C, into the Project, after the termination of the Declarant's rights to annex property under this Article XIII and the Declarant Control Period, upon the filing of a Supplement to this Declaration and the Condominium Map which have been prepared in accordance with this Article XIII and approved by the Owners and First Mortgagees in the manner provided for an amendment to this Declaration provided in Section 15.2.

XIV. PRE-EXISTING RESERVATIONS, RESTRICTIONS, EASEMENTS AND COVENANTS

The Properties were subject to the following reservations, restrictions, conditions, exceptions, easements and covenants at the time of the recordation of this Declaration:

14.1 City and County of Denver. Any restrictions in the use of property created by plats or zoning ordinances approved or adopted by the City and County of Denver, Colorado.

14.2 Other Recorded Documents. Any other reservations, restrictions, conditions, exceptions, conditions, easements and covenants not enumerated under this Declaration or the Association Articles of Incorporation or By-Laws, but which exist of record at the time of the recordation of this Declaration.

XV. REVOCATION OR AMENDMENT OF DECLARATION

15.1 Revocation. Except as provided specifically elsewhere herein, this Declaration shall not be revoked unless the Owners of Units to which sixty-seven percent (67%) of the votes in the Association are allocated and sixty-seven percent (67%) of the registered First Mortgagees consent and agree to such revocation by appropriate instrument duly recorded.

15.2 Duration and Amendment. The covenants and restrictions of this Declaration shall run with and bind the Properties for a term of forty (40) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration shall not be amended, except as otherwise herein provided, without the consent of Owners of Units to which at least sixty-seven percent (67%) of the votes in the Association are allocated, and approval of sixty-seven percent (67%) of the First Mortgagees. Such amendment may be evidenced by either a recorded instrument indicating such consent or by a recorded certificate of the Secretary of the Association certifying that at a meeting of the Owners, duly called at which a quorum was presented, the Owners of Units, to which sixty-seven (67%) of the votes in the Association are allocated, consented to the Amendment, 16.8 below) to the Amendment, and that copies of such written consent and approval are in the corporate records of the Association.

15.3 Amendments to Conform to VA, FHA, FNMA, FHLMC or CCIOA Requirements. Notwithstanding any provisions to the contrary, during the Declarant Control Period, Declarant shall have the right to unilaterally amend this Declaration in order to comply with the requirements of the Veteran's Administration, Federal Housing Administration, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, or CCIOA. Such amendment shall not require the vote or consent of Owners or First Mortgagees in the Project.

15.4 Technical Amendments. Declarant hereby reserves and is granted the right and

power to record technical amendments to this Declaration at any time prior to the termination of the Declarant's reserved right to appoint the Board of Directors of the Association for the purposes of correcting spelling, grammar, dates or as is otherwise necessary to clarify the meaning of the provisions of this Declaration.

XVI. MISCELLANEOUS PROVISIONS

16.1 Mailing Address. Each Owner and First Mortgagee shall register his or its mailing address with the Association, and all notices, demands and statements shall be sent by regular United States Mail, first-class postage prepaid, addressed in the name of the Owner or First Mortgagee at such registered mailing address. All notices to Declarant shall be sent by certified mail, first-class postage prepaid, return receipt requested, to the following address:

DECLARANT:

4801 South, Ltd.
1100 Stout Street, Suite 680
Denver, Colorado 80202

until such address is changed by notice of address change given to the Association.

16.2 Compliance with Provisions. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-Laws, Rules and Regulations, resolutions, and contracts of the Association as the same may from time to time be in force and effect. 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, together with reasonable attorney fees, court costs, and injunction bond premiums maintainable by the Board of Directors, or the Management Contractor, on behalf of the Owners, or by any Owner.

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

16.4 Terminology. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural and the singular; and the use of any gender shall include all genders.

16.5 State Law. The provisions of this Declaration shall be in addition and supplemental to all laws of the State of Colorado.

16.6 Declarant's Rights Transferable. Any right or interest of Declarant hereunder, established or reserved, may be transferred or assigned by Declarant either separately, or with one or more of such rights or interest, to any person or entity without the consent of the Owners, the Association, or any First Mortgagee.

16.7 Registration of First Mortgagees. Whenever this Declaration requires that a First Mortgagee receive notice, such requirement of notice shall be waived if the First Mortgagee has failed to register its name and proper address with the Association for the purpose of such notices.

16.8 Approval by First Mortgagees. Whenever this Declaration requires the approval of First Mortgagees, only those First Mortgagees who have registered as provided under Section 16.7 need be included in the request for approval and in any determination of whether the applicable percentage of First Mortgagees have approved any intended action. Any First Mortgagee registered as provided under Section 16.7 and mailed a request for approval, but who fails to respond within thirty (30) days to a request for approval, will be deemed to have

The undersigned Mortgagee hereby ratifies and approves this Declaration and agrees that its interest in the Properties as described in that certain Construction Deed of Trust, Assignment, Security Agreement and Financing Statement recorded July 13, 1995, under Reception No. 95-83226, of the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, that certain Assignment of Rents and Leases recorded July 13, 1995, under Reception No. 95-83227, of the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, and that certain Uniform Commercial Code Financing Statement recorded July 13, 1995, under Reception Nos. 95-83229 and 95-83230, of the records of the Office of the Clerk and Recorder of the City and County of Denver, Colorado, shall be and is subject to the terms and provisions hereof.

OHIO SAVINGS BANK, F.S.B.

BY: *James J. Bulger*
Sr. V. President

STATE OF OHIO)
) ss.
COUNTY OF CUYAHOGA)

The above and foregoing instrument was acknowledged before me this 15TH day of MARCH, 1996, by FRANK J. BILOGNIA as Sr. V. President of Ohio Savings Bank, F.S.B.

Witness my hand and official seal.

My commission expires: _____
Ruth Michaels
Notary Public
RUTH MICHAELS
Notary Public, State of Ohio
My Comm. expires 3/28/96

EXHIBIT A

A parcel of land being a part of Section 11, Township 5 South, Range 69 West, of the Sixth Principal Meridian, City & County of Denver, State of Colorado, being more particularly described as follows:

Beginning at the Southeast Corner of Glenborough PBG, as recorded at Reception #44485 of the City and County of Denver Records;

Thence North 89° 56'05" West, 704.61 feet, along the southerly line of said Glenborough PBG to the westerly line of said Glenborough PBG;

Thence North 37° 07'38" East, 150.16 feet, along said westerly line;

Thence South 52° 52'22" East, 55.73 feet;

Thence South 89° 56'05" East, 92.74 feet, to the 30' private drive as shown on said Glenborough PBG and a point of non-tangent curvature;

The following seven (7) courses are along said 30' private drive:

1. Thence along the arc of a curve to the right, whose center bears North 82° 41'35" East, 65.00 feet, thru a central angle of 45° 55'02", on arc length of 52.09 feet, whose chord bears North 15° 39'06" East, 50.71 feet, to a point of tangency;
2. Thence North 38° 36'37" East, 183.52 feet, to a point of curvature;
3. Thence along the arc of a curve to the right, whose center bears South 51° 23'23" East, 70.00 feet, thru a central angle of 51° 27'17", on arc length of 62.86 feet, whose chord bears North 64° 20'16" East, 60.77 feet, to a point of tangency;
4. Thence South 89° 56'05" East, 198.96 feet, to a point of curvature;
5. Thence along the arc of a curve to the right, whose center bears South 00° 03'55" West, 80.00 feet, thru a central angle of 38° 19'17", on arc length of 53.51 feet, whose chord bears South 70° 46'27" East, 52.51 feet, to a point of tangency;
6. Thence South 51° 36'48" East, 44.84 feet, to a point of curvature;
7. Thence along the arc of a curve to the left, whose center bears North 38° 23'12" East, 85.00 feet, thru a central angle of 18° 05'09", on arc length of 26.83 feet, whose chord bears South 60° 39'23" East, 26.72 feet, to a point of non-tangency and the westerly right-of-way line of South Ammons Street;

Thence along the arc of a curve to the left, whose center bears South 73° 45'34" East, 529.34 feet, thru a central angle of 03° 15'34", on arc length of 30.11 feet, whose chord bears South 14° 36'39" West, 30.11 feet, along said westerly right-of-way line, to a point of non-tangent curvature said point being on the 30' private drive as shown on said Glenborough PBG;

The following twelve (12) courses are along said 30' private drive:

1. Thence along the arc of a curve to the right, whose center bears North 18° 48'48" East, 115.00 feet, thru a central angle of 19° 34'24", on arc length of 39.29 feet, whose chord bears North 61° 24'00" West, 39.10 feet, to a point of tangency;
 2. Thence North 51° 36'48" West, 44.84 feet, to a point of curvature;
 3. Thence along the arc of a curve to the left, whose center bears South 38° 23'12" West, 50.00 feet, thru a central angle of 38° 19'17", on arc length of 33.44 feet, whose chord bears North 70° 46'27" West, 32.82 feet, to a point of tangency;
 4. Thence North 89° 56'05" West, 198.96 feet, to a point of curvature;
 5. Thence along the arc of a curve to the left, whose center bears South 00° 03'55" West, 40.00 feet, thru a central angle of 51° 27'17", on arc length of 35.92 feet, whose chord bears South 64° 20'16" West, 34.73 feet, to a point of tangency;
 6. Thence South 38° 36'37" West, 183.52 feet, to a point of curvature;
 7. Thence along the arc of a curve to the left, whose center bears South 51° 23'23" East, 35.00 feet, thru a central angle of 90° 00'00", on arc length of 54.98 feet, whose chord bears South 06° 23'23" East, 49.50 feet, to a point of tangency;
 8. Thence South 51° 23'23" East, 42.94 feet, to a point of curvature;
 9. Thence along the arc of a curve to the left, whose center bears North 38° 36'37" East, 25.00 feet, thru a central angle of 38° 32'43", on arc length of 16.82 feet, whose chord bears South 70° 39'44" East, 16.50 feet, to a point of tangency;
 10. Thence South 89° 56'05" East, 326.82 feet, to a point of curvature;
 11. Thence along the arc of a curve to the left, whose center bears North 00° 03'55" East, 85.00 feet, thru a central angle of 06° 45'28", on arc length of 10.03 feet, whose chord bears North 86° 41'11" East, 10.02 feet, to a point of tangency;
 12. Thence North 83° 18'27" East, 43.76 feet, to a point on the westerly right-of-way line of South Ammons Street and a point of non-tangent curvature;
- Thence along said westerly right-of-way line and the arc of a curve to the left, whose center bears North 83° 41'58" East, 529.34 feet, thru a central angle of 00° 23'31", on arc length of 3.62 feet, whose chord bears South 06° 29'48" East, 3.62 feet, to a point of tangency;
- Thence South 06° 41'33" East, 37.40 feet, continuing along said westerly right-of-way line to the Point of Beginning.
- Containing 1.270 acres, or 55316 square feet, more or less.

EXHIBIT B

<u>Unit No.</u>	<u>Building No.</u>	<u>Square Feet</u>	Fractional Undivided Interest in Common <u>Elements</u>
7-A	7	1,816	0.322844
7-B	7	1,976	0.351289
7-C	7	1,833	0.325867

EXHIBIT C

A parcel of land being a part of Section 11, Township 5 South, Range 69 West, of the Sixth Principal Meridian, City & County of Denver, State of Colorado, being more particularly described as follows:

Beginning at the Northeast Corner of Glenborough PBG, as recorded at Reception #44485 of the City and County of Denver Records, said point being a point of curvature;

Thence along the westerly right-of-way line of South Armons Street and the arc of a curve to the left, whose center bears South 72° 36' 23" East, 329.34 feet, thru a central angle of 00° 49' 11", on arc length of 7.57 feet, whose chord bears South 16° 39' 02" West, 7.57 feet, to a point on the 30' private drive as shown on said Glenborough PBG said point being of non-tangent curvature;

The following seven (7) course arc along said 30' private drive:

1. Thence along the arc of a curve to the right, whose center bears North 20° 18' 03" East, 85.00 feet, thru a central angle of 18° 05' 09", on arc length of 26.83 feet, whose chord bears North 60° 39' 23" West, 26.72 feet, to a point of tangency;
 2. Thence North 51° 36' 48" West, 44.84 feet, to a point of curvature;
 3. Thence along the arc of a curve to the left, whose center bears South 38° 23' 12" West, 80.00 feet, thru a central angle of 38° 19' 17", on arc length of 53.31 feet, whose chord bears North 70° 46' 27" West, 52.51 feet, to a point of tangency;
 4. Thence North 89° 56' 05" West, 198.96 feet, to a point of curvature;
 5. Thence along the arc of a curve to the left, whose center bears South 00° 03' 55" West, 70.00 feet, thru a central angle of 51° 27' 17", on arc length of 62.86 feet, whose chord bears South 64° 20' 16" West, 60.77 feet, to a point of tangency;
 6. Thence South 38° 36' 37" West, 183.52 feet, to a point of curvature;
 7. Thence along the arc of a curve to the left, whose center bears South 51° 23' 23" East, 65.00 feet, thru a central angle of 45° 55' 02", on arc length of 52.09 feet, whose chord bears South 15° 38' 06" West, 50.71 feet, to a point of non-tangency;
- Thence North 89° 56' 05" West, 92.74 feet, to the westerly line of said Glenborough PBG;
- Thence North 52° 52' 22" West, 55.73 feet, to the westerly line of said Glenborough PBG;
- Thence North 37° 07' 38" East, 59.47 feet, along said westerly line;
- Thence North 38° 36' 38" East, 429.82 feet, continuing along said westerly line to the northerly line of said Glenborough PBG;
- Thence South 51° 36' 48" East, 376.82 feet, along said northerly line to a point of curvature;
- Thence continuing along said northerly line and the arc of a curve to the left, whose center bears North 38° 23' 11" East, 91.06 feet, thru a central angle of 21° 19' 30", on arc length of 33.89 feet, whose chord bears South 62° 16' 34" East, 33.70 feet, to the Point of Beginning.
- Containing 1,636 acres, or 71,265 square feet, more or less.

Together with the following:

A parcel of land being a part of Section 11, Township 5 South, Range 69 West, of the Sixth Principal Meridian, City & County of Denver, State of Colorado, being more particularly described as follows:

Commencing at the Southeast Corner of Glenborough PBG, as recorded at Reception #44485 of the City and County of Denver records;

Thence North 06° 41' 33" West, 37.40 feet, along the westerly right-of-way line of South Armons Street, to a point of curvature;

Thence along said westerly right-of-way line and the arc of a curve to the right, whose center bears North E° 18' 27" East, 529.34 feet, thru a central angle of 00° 23' 31", on arc length of 3.62 feet, whose chord bears North 06° 29' 48" West, 3.62 feet, said point being the TRUE POINT OF BEGINNING and a point on the 30' private drive as shown on said Glenborough PBG;

The following twelve (12) courses arc along said 30' private drive:

1. Thence South 83° 18' 27" West, 43.76 feet, to a point of curvature;
 2. Thence along the arc of a curve to the right, whose center bears North 06° 41' 33" West, 85.00 feet, thru a central angle of 06° 45' 28", on arc length of 10.03 feet, whose chord bears South 86° 41' 11" West, 10.02 feet, to a point of tangency;
 3. Thence North 89° 56' 05" West, 326.82 feet, to a point of curvature;
 4. Thence along the arc of a curve to the right, whose center bears North 70° 00' 03' 55" East, 25.00 feet, thru a central angle of 38° 32' 43", on arc length of 16.82 feet, whose chord bears North 70° 39' 44" West, 16.50 feet, to a point of tangency;
 5. Thence North 51° 23' 23" West, 42.94 feet, to a point of curvature;
 6. Thence along the arc of a curve to the right, whose center bears North 38° 36' 37" East, 35.00 feet, thru a central angle of 50° 00' 00", on arc length of 54.98 feet, whose chord bears North 06° 23' 23" West, 49.50 feet, to a point of tangency;
 7. Thence North 38° 36' 37" East, 183.52 feet, to a point of curvature;
 8. Thence along the arc of a curve to the right, whose center bears South 51° 23' 23" East, 40.00 feet, thru a central angle of 51° 27' 17", on arc length of 33.92 feet, whose chord bears North 64° 20' 16" East, 34.73 feet, to a point of tangency;
 9. Thence South 89° 56' 05" East, 198.96 feet, to a point of curvature;
 10. Thence along the arc of a curve to the right, whose center bears South 00° 03' 55" West, 50.00 feet, thru a central angle of 38° 19' 17", on arc length of 33.44 feet, whose chord bears South 70° 46' 27" East, 32.82 feet, to a point of tangency;
 11. Thence along the arc of a curve to the left, whose center bears North 38° 23' 12" East, 115.00 feet, thru a central angle of 19° 34' 24", on arc length of 39.29 feet, whose chord bears South 61° 24' 00" East, 39.10 feet, to a point on said westerly right-of-way line and a point of non-tangent curvature;
 12. Thence along said westerly right-of-way line and the arc of a curve to the left, whose center bears South 77° 01' 08" East, 529.34 feet, thru a central angle of 19° 16' 55", on arc length of 178.14 feet, whose center bears South 03° 20' 25" West, 177.30 feet, to the Point of Beginning.
- Containing 2,100 acres, or 91,489 square feet, more or less.