

Section 7.12 Encumbrancer's Rights. Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any unpaid Assessments payable with respect to such Unit, and upon such payment the encumbrancer shall have a lien on such Unit for the amounts paid of the same rank as the encumbrancer's lien.

Section 7.13 Homestead Exemption. Each Owner hereby agrees that the Association's lien on a Unit for Assessments as hereinbefore described is not subject to the provisions of any federal or state homestead exemptions. Each Owner hereby agrees that the acceptance of a deed or other instrument of conveyance for any Unit within the Community shall signify such grantee's waiver of all homestead exemptions.

ARTICLE 8 RESPONSIBILITIES OF MAINTENANCE

Section 8.1 Owner Maintenance of the Residential Unit and Other Portions of Property Within the Community.

8.1.1 Each Owner shall be responsible for the maintenance of his or her Residential Unit.

8.1.2 For purposes of maintenance, an Owner shall be deemed to own and shall have the right and obligation to maintain the interior non-supporting walls, and the materials (such as, but not limited to, plaster, gypsum dry wall, paneling, wallpaper, paint, wall and floor tile, and flooring, but not including the sub-flooring) making up the finished surfaces of the perimeter walls, doors, ceilings and floors within the Residential Unit, and glass window breakage. The Owner shall also be responsible for the maintenance (and damage as a result of any repair or failure to repair) of the water and sewer lines running through the Residential Unit, drains and toilet flanges and all plumbing, gas, electrical, TV, cable systems, and air conditioning, heating units (including water heaters) and ducts located within or servicing only that Residential Unit, including computer, internet and television cable equipment and connections, and all appliances whether "built-in" or freestanding within a Residential Unit. The Owner shall not be deemed to own the Utilities running through his or her Residential Unit that serve one or more other Residential Units, except as a tenant-in-common with the other Owners; provided, however, Owners shall be responsible for any electrical outlets or switches that are accessed from the inside of such Owner's Residential Unit, and meant to provide service solely for such Residential Unit. Except as otherwise provided in this Declaration, Owners shall be responsible for cleaning and replacing all glass surfaces and windows, including all window sills, panes, eaves, locks, handles, and all other window components in or appurtenant to such Owner's Residential Unit. Owners shall be responsible for the replacement of all light bulbs for light fixtures that are located within such Owner's Residential Unit as well as light fixtures located outside such Owner's Residential Unit but operated by light switches located within such Owner's Residential Unit, if any.

8.1.3 If any Limited Common Element has been improved, altered, upgraded or bettered by an Owner (including, without limitation, systems (including snowmelt and/or drainage systems), materials, or finishes), whether with or without the approval of the Association, then the Owner of the Unit to which the upgraded Limited Common Element is appurtenant shall be responsible, at that Owner's sole cost and expense, for all maintenance, upkeep, repair and replacement of such improvements, and the Association shall not be responsible for same under the provisions of Section 8.2.3 below.

Section 8.2 Association Maintenance Within the Community. Except as otherwise provided in Section 8.1 and elsewhere in the Governing Documents, the Association, acting through the Board, its

officers and any managing agent shall have the sole and exclusive right and duty to manage, operate, control, and maintain:

8.2.1 the Parking Space Units;

8.2.2 at the discretion of the Board, the exterior glass surfaces of all windows;

8.2.3 all of the Common Elements (including all Limited Common Elements, but except as provided in Section 8.1.3 above) and any portion thereof, together with the improvements, trees, shrubbery, plants and grass thereon, all as more fully set forth in the Governing Documents; and

8.2.4 any portion of a Residential Unit if, in the discretion of the Board, maintenance, repair or replacement of such portion of a Residential Unit is necessary to preserve and protect the Common Elements or any other Residential Unit. Any expenses incurred in the exercise of the Association's rights under this Section 8.2.4 shall be charged as a Special Unit Assessment.

Section 8.3 Owner-Caused Maintenance. In the event that any Owner or his or her Related User, through negligence or misconduct, causes the Association to maintain, repair, replace, or otherwise perform work to or upon any Common Element (including Limited Common Elements) or to any Unit, such Owner shall be solely responsible for the costs to the Association in performing such work. The Owner shall reimburse the Association for such costs immediately upon receipt of an invoice for said costs, and such amounts shall be assessed and collected as a Special Unit Assessment. Further, the Association may assess the benefitted Owners separately for maintenance and improvements of Limited Common Elements.

Section 8.4 Utilities. Each Residential Unit pays electricity, telephone and upgrades on cable systems. The Association pays for usual trash removal; natural gas; and basic cable television. Other costs associated with the use and occupancy of a given Residential Unit may be individually billed to such Residential Unit, and the respective Owner shall pay the same. To the extent that gas, water, sewer, trash removal and other costs associated with the use and occupancy of a Residential Unit are not separately metered and/or billed to individual Residential Units, the costs of the same shall be billed to the Association and shall be a Common Expense to be included in the Assessments levied by the Association against the Residential Unit and payable by the Owner.

Section 8.5 Easements to Residential Units for Maintenance and Emergencies. Some of the Common Elements are or may be located within a Residential Unit or may be conveniently accessible only through a particular Residential Unit. The Board, any managing agent, and each Owner shall have a non-exclusive right and easement, which may be exercised for any Owner by the Board, or the managing agent, as his agent, for access through each Residential Unit and to all Common Elements, from time to time, during such reasonable hours as may be reasonably necessary for the maintenance of any of the Common Elements located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Residential Unit. When access to a Residential Unit is required, at least twenty-four (24) hours prior notice shall be provided to the occupants of such Residential Unit, except when said occupants have no objection to earlier entry and except in the case of an emergency. The cost to repair damage to the interior or any part of a Residential Unit resulting from the maintenance or emergency repair or replacement of any of the Common Elements or as a result of repairs within another Residential Unit, at the instance of the Board or the managing agent, shall be a Common Expense of all of the Owners. No diminution or abatement of Common Expense Assessments shall be claimed or allowed for inconvenience or discomfort arising from the maintenance or from action taken to comply with any law, ordinance or order of any governmental authority. Restoration or repair of the damaged areas shall be to substantially the same condition as they existed prior to the damage.

Notwithstanding the foregoing, if any such damage is the result of the activities of any Owner, or said Owner's Related Users, then the Owner shall be responsible for all costs and losses incurred as a result of such damage, including any expenses incurred to avoid or repair such damage and any losses suffered by other Owners as a result of such damage.

Section 8.6 Conditions of Owner's Work. Under no circumstances may any Owner or Related User alter the Unit in such a manner as to affect, in any way, any Common Element without prior written approval from the Board. Such written approval shall be in the Board's sole discretion and may be conditioned upon such requirements of the Association and the local governmental jurisdiction.

ARTICLE 9 CASUALTY/CONDEMNATION/INSURANCE

Section 9.1 Casualty or Destruction of Common Elements. Except as otherwise provided in Section 9.2 below, if any portion of the Common Elements is damaged or destroyed by fire or other casualty, then the Board shall contract to repair or rebuild the damaged portions of the Common Elements substantially in accordance with the Common Elements at the time of the fire or other casualty.

Section 9.2 Election by Owners Not to Repair. There shall be no reconstruction in the following situations:

9.2.1 Damage to Building A Common Elements Only. The Owners holding ninety percent (90%) of the Allocated Interests in the Building A Common Elements and 100% of the Owners of any affected Residential Units elect not to repair or rebuild Building A.

9.2.2 Damage to Building B Common Elements Only. The Owners holding ninety percent (90%) of the Allocated Interests in the Building B Common Elements and the Owners of Residential Unit 9 elect not to repair or rebuild Building B.

9.2.3 Damage to Shared Common Elements Only. Owners holding ninety percent (90%) of the Allocated Interests in the Shared Common Elements elect not to repair or rebuild the Community.

Section 9.3 Special Unit Assessment. The Board shall have the right to levy a Special Unit Assessment against each Residential Unit in the damaged or destroyed Building in the proportion the Residential Units are assessed (their allocation for the particular Building Common Elements), for purposes of raising funds for the rebuilding or major repair of the structural Common Elements of the damaged Building, to make up any deficiency between the total insurance proceeds and the contract price for such repair and rebuilding. Such Assessment and all insurance proceeds, whether or not subject to liens of mortgagees, shall be paid to the account of the Association to be used for such rebuilding.

Section 9.4 Casualty or Destruction of a Residential Unit. In the event of damage or destruction of any Residential Unit, the Owner thereof shall reconstruct the same as soon as reasonably practicable and substantially in accord with the plans and specifications at the time of such casualty or destruction.

Section 9.5 Condemnation. If any portion of the Community is taken by condemnation, eminent domain or any proceeding in lieu thereof, distribution of all rewards shall be in accordance with the Act.

ARTICLE 10 INSURANCE

Section 10.1 General Insurance Provisions. The Association shall obtain and keep in full force and effect, and shall pay for out of Assessments, the insurance coverages set forth herein and as set forth in the Act. These insurance coverages shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado, and shall include the following:

10.1.1 Hazard Insurance Coverage. Insurance of fire, with extended coverage, vandalism, malicious mischief, all-risk, replacement cost, agreed amount (if the policy includes co-insurance), special condominium, building ordinance and inflation guard endorsements attached, in amounts determined by the Board to represent not less than the full then current insurable replacement cost of the Buildings including all of the Units and Common Elements, but excluding all fixtures, interior walls and floors, partitions, decorated and finished surfaces of interior walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Residential Units and any components of Limited Common Elements described in Section 8.1.3 above, and further excluding any fixtures, equipment or other property within the Residential Units. Maximum deductible amounts for such policy shall be determined by the Board, provided, however, that if an agency requires specific deductibles, the Board shall follow such agency's requirements. In the event that satisfactory arrangement is not made for additional insurance by the Owner as required by this Declaration, the Owner shall be responsible for any deficiency in any resulting insurance loss recovery and the Association shall not be obligated to apply any insurance proceeds to restore the affected Residential Unit.

Such hazard insurance policy must be written by an insurance carrier that has (a) a "B" or better general policyholder's rating or a "6" or better financial performance index rating in Best's Insurance Reports, or (b) an "A" or better general policyholder's rating and a financial size category of "VIII" or better in Best's Insurance Reports International Edition.

All policies shall contain a standard non-contributory mortgage clause in favor of each First Mortgagee, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Association for the use and benefit of First Mortgagees, and their successors and assigns, as their Recorded interests may appear. If obtainable, the Association shall also obtain the following and any additional endorsements deemed advisable by the Board: (a) an Inflation guard endorsement, (b) a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, and (e) an increased cost of construction endorsement.

10.1.2 Comprehensive Liability. Comprehensive general public liability and property damage insurance for the Community in such amounts as the Board deems desirable, provided that such coverage shall be for at least \$1,000,000 for bodily injury, including deaths and property damage arising out of a single occurrence insuring the Association, the Board, the managing agent, or both, if any, and their respective agents and employees, and the Owners from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to condominiums similar to the Community in Eagle County/Town of Vail. The Board shall not enter into employment contracts or independent contractor contracts of any kind unless the contracting party provides evidence (such as a Certificate of Insurance) to the Board that such party has current and satisfactory insurance, including workers compensation insurance, commercial general liability insurance and automobile insurance on all of which the Association is named as an additional insured.

The insurance policies may be carried in blanket policy form naming the Association as the insured, for the use and benefit of and as attorney-in-fact for the Owners. Each Owner shall be an insured person under the policy with respect to liability arising out of such Owner's interest in the Common Elements or membership in the Association. Each Mortgagee and its successors or assigns shall be a beneficiary of the policy in the percentages of Common Expenses for the Residential Unit, which the Mortgage encumbers. The insurance company shall waive its rights of subrogation under the insurance policy against any Owner or member of the Owner's household. No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, shall void the insurance policy or be a condition to recovery under the insurance policy. If, at the time of a loss under an insurance policy described above there is other insurance in the name of the Owner covering the same risk covered by the policy, the Association's policy shall provide primary insurance.

10.1.3 Fidelity Insurance. The Association shall obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Association, including persons who serve the Association with or without compensation. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Association, its officers, directors, trustees and employees.

10.1.4 Worker's Compensation and Employer's Liability Insurance. The Association shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law.

10.1.5 Officers' and Directors' Liability Insurance. The Association shall obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as officers and directors on behalf of the Association.

10.1.6 Other Insurance. The Association may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Association responsibilities and duties.

Section 10.2 Insurance Premiums. Except as assessed in proportion to risk or other factors as permitted under the terms of this Declaration, insurance premiums for insurance provided pursuant to this Article 10 shall be a Common Expense to be included as a part of the annual Assessments levied by the Association, in accordance with the percentage allocations for "Shared Common Elements" shown on Exhibit B.

Section 10.3 Managing Agent Insurance. The manager or managing agent, if any, shall be adequately insured for the benefit of the Association, and shall maintain and submit evidence of such coverage to the Association.

Section 10.4 Waiver of Claims Against Association. As to all policies of insurance obtained by or for the benefit of the Association and Owners, the Association and the Owners hereby waive and release all claims against one another and the Board, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 10.5 Certificates of Insurance; Cancellation. Certificates of Insurance shall be issued to each Owner and Mortgagee upon request. All policies required to be carried under this Article 10 shall provide a standard non-contributory mortgagee clause in favor of each First Mortgagee of a Residential Unit and shall provide that such policy cannot be cancelled by the insurance company without at least

thirty (30) days prior written notice to each Owner and each First Mortgagee whose address is shown in the records maintained pursuant to the Association's documents. If the insurance described in Article 10 is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefore having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States certified mail to all Owners.

Section 10.6 Procedures for Claims. The Association may adopt and establish written nondiscriminatory policies and procedures relating to the submittal of claims, responsibility for deductibles, and any other matters of claims adjustment.

Section 10.7 Owners; Policies. Owners are responsible for carrying, at their own expense, insurance to augment or cover losses and damages not covered by the blanket insurance carried by the Association, which shall include coverage for all fixtures, interior walls and floors, partitions, decorated and finished surfaces of perimeter walls, floors, and ceilings, doors, windows and other elements or materials comprising a part of the Residential Units and any components of Limited Common Elements described in Section 8.1.3 above, and further including any fixtures, equipment or other property within the Residential Units. Insurance policies issued to the Association do not eliminate the need for Owners to obtain insurance for their own benefit. Individual Owners shall carry such other insurance for their own benefit and at their own expense, provided that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by any Owner. Insurance coverage on improvements and fixtures installed by an Owner and on furnishings, including, but not limited to carpeting and other floor coverings, draperies, oven, range, refrigerator, wallpaper, garbage disposal and other items of personal property belonging to an Owner, and public liability coverage within each Unit shall be the sole and direct responsibility of the Owner thereof, and the Board, the Association and/or the managing agent shall have no responsibility therefor. Similarly, Owners shall be responsible for insuring any items stored in any portion of the Unit or Limited Common Element appurtenant to such Unit, and for insuring any automobiles, motorcycles or other vehicles, any bicycles, and any parts and contents of any of the foregoing, which are located within the Community, and the Board, the Association and/or the managing agent shall have no responsibility therefor.

Section 10.8 Owner Caused Damages. If any loss or damage shall be caused to any person or property, including the Building or other improvements, or to any Unit, due to the act or neglect of any Owner or such Owner's Related User, such Owner shall be liable and responsible for the same regardless of whether such damage or loss is covered by insurance obtained by the Association. The amount of any loss or damage may be collected by the Association from the Owner causing same as a Special Unit Assessment pursuant to Section 7.6.

Section 10.9 No Imperiling of Insurance. No Owner and no Owner's Related Users shall do anything or cause anything to be kept within the Community which might: (i) result in an increase in the premiums of insurance obtained for the Community; or (ii) cause cancellation of such insurance.

Section 10.10 Association as Attorney-In-Fact. In furtherance of this Article 10, each Owner hereby appoints the Association as his or her attorney-in-fact pursuant to the provisions of Article 13 below.

ARTICLE 11 OBSOLESCENCE

Section 11.1 Plan for Renewal and Reconstruction. Owners representing at least seventy percent (70%) of the Allocated Interest in the Building A Common Elements and seventy percent (70%) of the Building B Common Elements may agree that the Common Elements are obsolete and adopt a

written plan for the renewal and reconstruction. Such plan shall be recorded in Eagle County, Colorado real estate records.

Section 11.2 Payment for Renewal and Reconstruction. The expense of renewal or reconstruction shall be payable by all of the Owners as Special Assessments. These Special Assessments shall be levied in advance and shall be allocated and collected as Special Assessments. Further Special Assessments may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction. In the event amounts collected pursuant to this paragraph are in excess of the amounts required for renewal and reconstruction, the excess shall be returned to the Owners by the Association in an amount proportionate to the respective amount collected from each Owner.

Section 11.3 Sale of Obsolete Project. Owners representing at least seventy percent (70%) of the Allocated Interests in the Building A Common Elements and seventy percent (70%) of the Building B Common Elements may agree that the Units are obsolete and that they should be sold. In such instance, the Association shall forthwith record a notice setting forth such fact and upon the recording of said notice by the Association, the Units shall be sold by the Association as attorney in fact for all of the Owners free and clear of the provisions contained in this Declaration, the Map, and the Association Articles and Bylaws. The sale proceeds shall be apportioned among the Owners in proportion to the Allocated Interest as shown on Exhibit B. Each Owner's interest in such proceeds shall be subject to payment of all Mortgages and other liens of record at the time such disbursement is paid.

Section 11.4 Association as Attorney-In-Fact. In furtherance of this Article 11, each and every Owner appoints the Association as his or her attorney-in-fact pursuant to Article 13 below.

ARTICLE 12 USE OF CONDOMINIUM UNITS AND COMMON ELEMENTS

Section 12.1 Residential Purposes. Each Owner shall be entitled to the exclusive ownership and possession of his Residential Unit. The use of all Residential Units shall be subject to: (i) all applicable governmental rules, regulations, laws, ordinances and restrictions; and (ii) all provisions of the Governing Documents as though such restrictions are set forth in this Declaration. Each Residential Unit shall be improved, used and occupied for private, residential single-family dwelling purposes only, and no such Residential Unit shall be occupied for living or sleeping purposes by more persons than it was designed to accommodate safely. No Residential Units or Common Elements shall be used for any business or commercial purposes whatsoever, except as otherwise provided in the Governing Documents.

Section 12.2 Right of First Refusal for Transfer of Parking Space Units. Any Owner of a Residential Unit shall have the right (the "Right of First Refusal") to purchase a Parking Space Unit on the same terms and conditions as those of any bona fide written offer ("Offer") received by and acceptable to the seller of the Parking Space Unit ("Seller"); provided however, a Seller who receives an Offer for the sale of his Parking Space Unit from a Residential Unit Owner is not required to follow the procedures set forth herein and can proceed directly to conclude such sale. In the event a Seller, at any time, desires to sell a Parking Space Unit and shall receive an Offer that the Seller is willing to accept, then, prior to accepting the Offer, the Seller shall notify all Residential Unit Owners of such facts and shall deliver to all Residential Unit Owners a copy of the Offer, and any Residential Unit Owner shall have the right to acquire the Parking Space Unit on the same terms and conditions as are in the Offer. Residential Unit Owners shall have until 11:59 p.m., Mountain Time, on the tenth (10th) business day after the effective date of the Seller's notice to exercise the Right of First Refusal. A Residential Unit Owner shall exercise the Right of First Refusal, if at all, by written notice to Seller of such Residential Unit Owner's election to exercise such right. If more than one Residential Unit Owner desires to purchase such Parking Space Unit, it shall be sold to the Residential Unit Owner willing to pay the highest price.

Section 12.3 Restrictions Regarding Vehicular Parking, Storage, and Repairs within Parking Space Units and Parking Spaces.

12.3.1 Parking of vehicles shall be in accordance with the Governing Documents.

12.3.2 All vehicular parking within the Community shall be regulated by the Board.

Section 12.4 Certain Work Prohibited. Owners are limited in the use of their Unit and the Community, as follows:

12.4.1 No Owner shall undertake any work, enhancements or alterations in his Unit which would jeopardize the soundness, health or safety of the Community, impair the structural integrity, electrical or mechanical systems or lessen the support of any portion of the Community, or impair any easements;

12.4.2 Structural alterations shall not be made by an Owner to the exterior portions of his or her Unit or to the Building, nor shall an Owner make any changes to the water, gas or pipes, electric conduits, plumbing or other fixtures, nor shall an Owner remove any additions, improvements or fixtures from the Building, without prior written approval of the Board (which approval may be withheld for any reason);

12.4.3 No Owner may change the appearance of any of the Common Elements, including any Limited Common Elements appurtenant to such Owner's Unit that are visible from the exterior of the Building or such Unit without prior written approval of the Board (which may be withheld for any reason); and

12.4.4 No Owner shall hang, erect, affix or place anything upon any of the Common Elements (except for decorative items located within his Residential Unit), and no Owner shall place anything on or in windows or doors of Residential Units that would or might create an unsightly appearance or create an unsafe condition.

Section 12.5 Limited Common Elements. Each Limited Common Element is a Common Element and as such is owned by all Owners as tenants-in-common. An Owner's right to use a particular Limited Common Element shall be: (i) appurtenant to the Residential Unit with which the Limited Common Element is conveyed or assigned; (ii) shall be used only for the purposes set forth in this Declaration; and (iii) used by the Owner(s) or Related User(s) in accordance with the Governing Documents.

Section 12.6 Use of Common Elements. Except as otherwise provided herein, the Common Elements shall be improved and used only in accordance with the Governing Documents and the Act.

Section 12.7 Owners Liable for Damage. Each Owner shall be liable to the Association for all damage to the Common Elements and any improvements thereto, including the Building, and landscaping, caused by such Owner or Related Users. In addition, each Owner shall be liable to any other Owner(s) for all damage to the Unit of the other Owner(s) and any improvements thereto caused by such Owner or Related Users. Each Owner shall be responsible for compliance with the provisions of the Governing Documents by his Related Users, and shall, after written notice and an opportunity for a hearing, pay the fines and penalties assessed pursuant to the Governing Documents for any violation by the Owner or his Related Users.

Section 12.8 Pets. Only those animals which the Board defines as "pets" shall be allowed within the Community, as expressly set forth in the Rules. All Owners and Related Users must comply with any restrictions or limitations as set forth in the Rules, and no pets shall be allowed on any portions of the Common Elements except for access to and from the Residential Unit as may be permitted by Rules established by the Board. No pet shall be permitted to be kept within any portion of the Community if it makes excessive noise or constitutes a safety risk or an unreasonable annoyance to other Owners as determined by the Board in its sole discretion. An Owner is responsible for any damage caused by his pets and pets of all Related Users and shall be obligated to clean up after his pets in the Community.

Section 12.9 No Noxious, Offensive, Hazardous or Annoying Activities. No noxious or offensive activity shall be carried on upon any part of the Community, nor shall anything be done or placed on or in any part of the Community that, in the sole discretion of the Board, is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. No sound shall be emitted from any part of the Community that is unreasonably loud or annoying. No odor shall be emitted from any part of the Community that is noxious or offensive to others. No light shall be emitted from any part of the Community which is unreasonably bright or causes unreasonable glare. No unsightliness or waste shall be permitted on or in any part of the Community. Without limiting the generality of the foregoing, no Owner shall keep or store anything on or in any of the Common Elements.

Section 12.10 Leasing. The term "lease," as used herein, shall include any agreement for the leasing, rental or occupancy of a Unit. Owners shall have the right to lease their Units only under the following conditions:

12.10.1 Units may be rented for any term, i.e. for a number of days, weeks or months. All leases with a term of thirty days or greater shall be in writing.

12.10.2 All leases shall provide that the terms of the lease and the tenant's occupancy of the Unit shall be subject in all respects to the provisions of the Governing Documents, as the same may be amended from time to time, and that any failure by such tenant to comply with the provisions of these instruments, in any respect, shall be a default under the lease, said default to be enforceable by the Board, the Owner/landlord, or both. Prior to occupancy, all tenants must be given copies of the Governing Documents.

12.10.3 The Association may charge a rental service fee to offset damage from the Common Elements caused by leasing.

12.10.4 Any Owner's right to lease is expressly conditional upon applicable Rules which may further limit an Owner's right to lease the Unit.

12.10.5 Any Owner who leases his or her Unit for a term of thirty days or greater shall forward a copy of the written lease to the Association within ten (10) days after the execution by Owner and the tenant/lessee.

Section 12.11 Outside Antennae. There shall be no outside television, radio antennae or satellite dishes, poles or flag poles constructed, or maintained on the Community for any purpose, except as installed by the Association, and except as expressly allowed pursuant to the Rules as promulgated by the Board, which must be in accordance with the express terms of the Telecommunications Act of 1996 and with the Act.

Section 12.12 Combining and Separating of Residential Units. Subject to the provisions elsewhere contained in this Declaration and the other Governing Documents, the Owner or Owners, as the

case may be, of two horizontally or vertically adjoining Residential Units may combine the Residential Units into one Residential Unit with the prior written consent of the Board, and upon the following conditions:

12.12.1 All Limited Common Elements created by combining two Residential Units shall be maintained pursuant to the Governing Documents.

12.12.2 The Owner must strictly comply with all terms and conditions of this Declaration, the Rules, the Act, and any construction policy agreement.

12.12.3 The Owner must submit all plans and specifications to the Board, which submission shall include all information requested by said Board at any time and from time to time, and shall include payment of such reasonable fees and costs as the Board shall assess or incur. The Board shall approve all such plans and specifications prior to commencement of construction. All improvements shall be made in strict compliance with the approved plans and specifications.

12.12.4 The Owner shall strictly comply with all conditions for construction that may be required by the Board in order to protect and preserve the Real Estate and the Common Elements.

12.12.5 The Owner shall submit, obtain approval from, and strictly comply with all conditions for construction as may be imposed by any local architectural or design review body.

12.12.6 The Owner shall strictly comply with the building codes of the Town of Vail and all other applicable government entities.

12.12.7 At the expense of the Owner desiring to combine Residential Units (which liability therefore shall be joint and several among all Owners of the Residential Units) the Board may retain engineers, architects, attorneys and contractors to advise it concerning such combination as to insure the structural integrity of the building is maintained.

12.12.8 When two Residential Units have been formally combined, the Map shall be amended to depict the boundaries of such new Residential Unit and Exhibit B shall be amended to reflect the reallocation of the Allocated Interests.

ARTICLE 13 ATTORNEY-IN FACT

Each Owner by his or her acceptance of the deed or other conveyance vesting in him or her an interest in a Unit does irrevocably constitute and appoint the Association with full power of substitution as his or her true and lawful attorney in his or her name, place and stead to: (i) deal with his or her undivided interest in the Common Elements; (ii) manage, maintain and otherwise operate all real and personal property as may be acquired by the Association as attorney-in-fact for each Owner in the Allocated Interest in the Common Elements which is allocated to the Owner; and (iii) manage, maintain and otherwise deal with such other portions of the Real Estate as may be necessary to effectuate the provisions of the Governing Documents. This power of attorney shall relate to all matters, including but not limited to, dealing with such Owner's interest upon damage to or destruction, obsolescence, condemnation, liquidation of all or part of the Community, or the termination of the Community, and to represent the Owner in any related proceedings, negotiations, settlements or agreements. If requested to do so by the Association, each Owner shall execute and deliver a written instrument confirming such appointment. The action of the Association in settling any damage, condemnation, liquidation or termination claim shall be final and binding on all Owners. No Owner shall have any rights against the

Association or any of its officers or directors with respect thereto except in case of fraud or gross negligence.

Any payment from any settlement award or insurance claim obtained in relation to any condemnation, destruction, taking or liquidation of any or all of the Community shall be payable to the Association for the benefit of affected Owners and First Mortgagees. In the event the Association receives funds from the sale of property as discussed in this Article 13, or if the Association realizes any losses, awards or proceeds from any other source, or from the termination of the Declaration, these proceeds, awards or losses shall be allocated among the Owners according to their Allocated Interests.

ARTICLE 14 AMENDMENT AND TERMINATION

Section 14.1 Technical, Clerical, Typographical or Clarification Amendment. If the Board shall determine that any amendments to this Declaration or to the Map shall be necessary in order to make non-material changes, such as for the correction of a technical, clerical, or typographical error, change of the Association's address stated on the cover page of this Declaration, or clarification of a statement, then the Board shall have the right and power to make and execute any such amendments without obtaining the approval of any Owners.

Section 14.2 Necessary to Exercise Authority of Association Documents. The Board shall have the authority to execute amendments to this Declaration or to the Map which are reasonably necessary in order to perform the duties authorized by this Declaration.

Section 14.3 Amendment of Declaration by Owners. Except as otherwise provided in this Declaration and subject to provisions elsewhere contained in this Declaration requiring the consent of others, any provision, covenant, condition, restriction, or equitable servitude contained in this Declaration may be changed or repealed, and any provision, covenant, condition, restriction or equitable servitude may be added to this Declaration, at any time and from time to time upon approval of at least sixty-seven percent (67%) of the total voting interests in the Association.

Section 14.4 Amendment Affecting Parking Space Units. Notwithstanding any other provision hereof to the contrary, no amendment or modification of this Declaration shall abridge, amend, impair or otherwise adversely affect the interests of any Parking Space Unit or the Owners thereof without the prior consent of at least 75% of the Owners of all Parking Space Units.

Section 14.5 Recording of Amendments. To be effective, all amendments to or termination of this Declaration must be Recorded and must contain evidence of approval thereof. One method of satisfying the requirements of this Section is the recordation of a certificate of the Secretary of the Association, certifying that Owners representing the requisite percentage of Allocated Interests appurtenant to the Units have given their written consent to the amendment. The Secretary must further certify that originals of such written consent by Owners along with the Recorded amendment are in the corporate records of the Association and available for inspection. No action to challenge the validity of this Amended and Restated Declaration, or any other amendment adopted by the Association pursuant to this Section, may be brought more than one (1) year after the document is Recorded.

Section 14.6 Termination. The Community and the Association may be terminated upon an affirmative vote of the Owners holding ninety percent (90%) of the Allocated Interests in the Shared Common Elements or such other percentage as is set forth in Article 11 above, and in accordance with Section 218 of the Act.

ARTICLE 15 GENERAL PROVISIONS

Section 15.1 Enforcement. The Association and any Owner shall have the right to enforce by any proceedings at law or in equity, each covenant, condition, restriction and reservation, now or hereafter imposed by this Declaration. Each Owner shall have a right of action against the Association for any failure by the Association to comply with the provisions of this Declaration or of the Bylaws or Articles. Failure by the Association or any Owner to enforce any covenant, condition, restriction or reservation contained in this Declaration shall not be deemed a waiver of the right to do so thereafter. In such action the court may award reasonable attorney's fees and costs to the prevailing party.

Section 15.2 Disclosure of Owner's Information. Each Owner shall, at all times, provide the Manager or designated officer of the Board, with his or her current street address (and mailing address if they are different), e-mail address (if any), and any other information reasonably requested by the Board.

Section 15.3 Notices to the Association—Association Address. Notice as may be permitted or required to be given to the Association pursuant to the Governing Documents or any Colorado law shall be in writing and sent by United States Mail, postage prepaid, return receipt requested, to the address of the Association's registered agent at the address set forth in the office of the Colorado Secretary of State and shall only be deemed given if proof of receipt is established. The current registered address of the Association is set forth on the first page of this Declaration, but may be changed at any time and from time to time, by filing a statement of registered agent or change of registered agent in the office of the Colorado Secretary of State. Additionally, Owners may also send such notice to the president or managing agent as may be set forth within the Association's web site.

Section 15.4 Owner Compliance. Each Owner and his or her Related Users shall comply with the provisions of the Governing Documents and all local, state and federal laws. Failure to so comply shall permit an action to recover sums due for damages and injunctive relief, the levying of fines and other charges, and such Owner shall be liable for all attorneys' fees and costs incurred by the Association.

Section 15.5 Final Determination. Determination with respect to whether or not a particular activity or occurrence shall constitute a violation of any provision of this Declaration shall be made by the Board and shall be final.

Section 15.6 Severability. Should any provision in this Declaration be void or become unenforceable in law or equity by judgment or court order, the remaining provisions of this Declaration shall remain in full force and effect.

Section 15.7 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the use and occupancy of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado.

Section 15.8 Singular Includes the Plural and Gender. Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 15.9 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section or article hereof.

Section 15.10 Term of Declaration. The provisions of this Declaration (and all Covenants) shall run with and bind the Real Estate in perpetuity, unless terminated pursuant to Section 11.3 or 14.6 above.

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EXHIBIT A

LEGAL DESCRIPTION

TYROLEAN CONDOMINIUMS, A RESUBDIVISION OF TRACT B, VAIL VILLAGE FIRST FILING, TOWN OF VAIL, EAGLE COUNTY, COLORADO.

EXHIBIT B

INTERESTS IN COMMON ELEMENTS

Interests in Shared Common Elements

Unit No.	Allocated Interest in Shared Common Elements Appurtenant to the Unit
1	7.3014%
2	6.5746%
3	6.5355%
4	11.1254%
5	8.8780%
6	10.4881%
7	13.1883%
8	5.8422%
9	30.0665%
All Parking Space Units, collectively	0.0100%
Total	100.0100%

Interests in Building A Common Elements

Unit No.	Allocated Interest in Building A Common Elements Appurtenant to the Unit
1	10.4405%
2	9.4012%
3	9.3453%
4	15.9085%
5	12.6949%
6	14.9972%
7	18.8584%
8	8.3540%
Total	100.0000%

Interests in Building B Common Elements

Unit No.	Allocated Interest in Building B Common Elements Appurtenant to the Unit
9	100.0000%

Common Expense Liability shall be determined by the Owner's interest in the Shared Common Elements and in the Building A Common Elements and in the Building B Common Elements except that the Parking Space Unit Owners' collective 0.0100% interest in the Shared Common Elements shall not result in any Common Expense Liability except as expressly provided in the Declaration.

IN WITNESS WHEREOF, the president of the Association states that the foregoing Amended and Restated Declaration has been duly approved by the Owners and the requisite percentage of holders of First Mortgages, or in accordance with Section 217 of the Act, and, upon Recording, supersedes the Original Declaration, in its entirety.

TYROLEAN CONDOMINIUM ASSOCIATION a Colorado nonprofit corporation

By: [Signature]
Herbert A. Tobin, its president

STATE OF Florida)
) ss.
COUNTY OF Broward)

The foregoing Amended and Restated Declaration for Tyrolean Condominiums was acknowledged before me this 22 day of October, 2013 by Herbert A. Tobin as president of Tyrolean Condominium Association, a Colorado nonprofit corporation.

My commission expires: June 26, 2017

Witness my hand and official seal.

[Signature]
Notary Public

