

CONDOMINIUM DECLARATION

FOR

SAVOY VILLAS CONDOMINIUMS

THIS CONDOMINIUM DECLARATION is made this 16th day of August, 1994, by SIMBA LAND CORPORATION, a Colorado Corporation ("S.L.C.").

ARTICLE 1

CREATION OF COMMON INTEREST COMMUNITY

1.01: General Purposes. S.L.C. owns the real property interests legally described on Exhibit A attached hereto and by this reference incorporated herein (the "Property"). S.L.C. desires to create pursuant to the provisions of the Colorado Common Interest Ownership Act (Article 33.3 of Title 38 of Colorado Revised Statutes) as the same may be amended from time to time (the "Act") a "common interest community" (as such term is defined in the Act) on the Property. S.L.C. further desires to establish a means to ensure the proper use and appropriate development of the Property as a high quality, aesthetically pleasing and harmoniously designed condominium project by means of mutually beneficial covenants, conditions and restrictions imposed on the Property for the benefit of S.L.C. and all future owners of any portion of the Property.

1.02: Declaration. To further the purposes expressed in Section 1.01 hereof, S.L.C., for itself and its successors and assigns, hereby declares that the Property shall, at all times, be owned, held, used and occupied subject to the provisions of this instrument, to the covenants, conditions and restrictions contained herein and to all amendments and supplements hereto.

1.03: Names of the Common Interest Community and the Association. The name of the common interest community hereby created is Savoy Villas Condominiums. The name of the unit owners association organized to govern and administer the common interest community hereby created is Savoy Villas Condominium Association, a Colorado nonprofit corporation (the "Association").

1.04: Location and Type of Common Interest Community. The common interest community hereby created is situated in Eagle County, Colorado. The common interest community hereby created is a "condominium" (as such term is defined in the Act) because portions of the Property are designated for separate ownership by individuals or entities and the remainder of the Property is designated for common ownership solely by the owners of the separate ownership portions.

ARTICLE 2

In addition to the definitions set forth above or below, the following terms shall have the following meanings when used herein:

CERTAIN DEFINITIONS

2.01: Act. The Act is the Colorado Common Interest Ownership Act, Article 3.33 of Title 38 of the Colorado Revised Statutes, as it may be amended from time to time.

2.02: Allocated Interests or Sharing Ratio. "Allocated Interests" or "Sharing Ratio" shall mean the percentage of the total undivided interests in the Common Elements allocated to a Condominium Unit pursuant to Section 3.01(b) hereof; the percentage of the total liability for assessments for Common Expenses allocated to a Condominium Unit pursuant to Section 9.05 hereof. The formula utilized to determine the Sharing Ratio of each Condominium Unit is the ratio of the gross floor area of each Unit to the gross floor area of all Units.

2.03: Association. The Association is the Savoy Villas Condominium Association, a nonprofit corporation organized under Articles 20 to 29 of Title 7 of the Colorado Revised Statutes. It is the Association of Unit Owners pursuant to Section 301 of the Act.

2.04: Articles. "Articles" shall mean the Articles of Incorporation of the Association.

2.05: Budget. "Budget" shall mean the plan for each fiscal year of the Association for the payment of the Common Expenses and for obtaining the funds required for such payment to be adopted by the Association in accordance with the provisions of Section 8.01 hereof.

2.06: Building. "Building" shall mean the structure(s) containing the Units.

2.07: Bylaws. "Bylaws" shall mean the bylaws of the Association in effect from time to time.

2.08: Common Elements. The Common Elements are each portion of the Common Interest Community other than a Unit. Some of the Common Elements are identified on the Map as such or as "C.E.".

2.09: Common Expenses. The Common Expenses are the expenses or financial liabilities for the operation of the Common Interest Community. These expenses include:

- (a) Expenses of administration, maintenance, repair or replacement of the Common Elements;

(b) Expenses declared to be Common Expenses by the Documents or by the Act;

(c) Expenses agreed upon as Common Expenses by the Association; and

(d) Such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or addition to the Common Elements or any other real or personal property acquired or held by the Association.

2.10: Common Expense Assessment. The funds required to be paid by each Unit Owner in payment of his Common Expense liability.

2.11: Common Interest Community. The Common Interest Community is the Savoy Villas Condominiums located on the real property described in Exhibit "A".

2.12: Condominium Unit. "Condominium Unit" shall mean a Unit together with the undivided interest in the Common Elements and the right to the exclusive use of the Limited Common Elements allocated thereto (which exclusive use may be shared with one or more other Condominium Units). An individual Condominium Unit may be referred to in the Declaration by reference to such Condominium Unit's "identifying number" (as such term is defined in the Act).

2.13: Declarant. "Declarant" shall mean Simba Land Corporation, a Colorado Corporation and any party that is designated as a successor or assign of Declarant pursuant to the provisions of the Declaration.

2.14: Declaration or Document. "Declaration" or "Document" shall mean this instrument, the Map and all amendments or supplements to this instrument and the Map hereafter recorded in the real property records of Eagle County, Colorado.

2.15: Development Rights. Development Rights are the rights reserved by the Declarant under Article 3.10 of this Declaration to create Units, Common Elements and Limited Common Elements within the Common Interest Community, and all rights reserved for the benefit of the Declarant permitted by the Act.

2.16: Directors. A Director is a member of the Executive Board.

2.17: Easements. "Easements" shall mean the easements created pursuant to the provisions of Section 3.02 hereof.

2.18: Eligible Insurer. An Eligible Insurer is an insurer or guarantor of a first Security Interest in a Unit. An Eligible Insurer

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must notify the Association in writing of its name and address and inform the Association that it has insured or guaranteed a first Security Interest in a Unit. It must provide the Association with the Unit number and address of the Unit on which it is the insurer or guarantor of a Security Interest. Such notice shall be deemed to include a request that the eligible insurer be given the notices and other rights described in Article 14.

2.19: Eligible Mortgagee. The Eligible Mortgagee is the holder of a first Security Interest in a Unit, when the holder has notified the Association, in writing, of its name and address and that it holds a first Security Interest in a Unit. The notice must include the Unit number and address of the Unit on which it has a security interest. This notice shall be deemed to include a request that the Eligible Mortgagee be given the notices and other rights described in Article 14.

2.20: Executive Board. The Executive Board is the board of directors of the Association.

2.21: First Lienors. "First Lienors" shall mean: (a) the holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering any portion of the Property which is recorded on the date of recording of this instrument and (b) the holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering a Condominium Unit which is recorded after the date of recording of this instrument and which has priority over all other deeds of trust, mortgages or other security documents encumbering such Condominium Unit.

2.22: Guest. "Guest" shall mean any individual who is present at the Property at the express or implied invitation of an Owner including, without limitation, friends, relatives, agents, employees, tenants or business invitees of an Owner.

2.23: Improvements. Improvements are any construction, structure, fixture or facilities existing or to be constructed on the land which is included in the Common Interest Community, including but not limited to: buildings, trees and shrubbery planted by the Declarant or the Association, paving, utility wires and services, pipes, light poles and signs.

2.24: Limited Common Elements. "Limited Common Elements" shall mean a portion of the General Common Elements which are allocated by the Declaration or by operation of Section 202 of the Act for the exclusive use of one or more Condominium Units but fewer than all of the Condominium Units.

2.25: Majority or Majority of Unit Owners. The Majority or Majority of Unit Owners means the owners of more than 50 percent of the votes in the Association.

2.26: Manager. A Manager is a person, firms or corporation employed or engaged to perform management services for the Common Interest Community and the Association.

2.27: Map, Plat or Plans. "Map", "Plat" or "Plans" shall mean the plat and map for Savoy Villas Condominiums which meets the requirements of Section 209 of the Act and which is recorded in the real estate records of Eagle County, Colorado contemporaneously with the recording of this instrument.

2.28: Notice and Comment. Notice and Comment is the right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to comment thereon. The procedures for Notice and Comment are set forth in Article 9.01(b) of this Declaration.

2.29: Notice and Hearing. Notice and Hearing is the right of a Unit Owner to receive notice of an action proposed to be taken by or on behalf of the Association, and the right to be heard thereon. The procedures for Notice and Hearing are set forth in Article 9.01(b) of this Declaration.

2.30: Owner or Unit Owner. "Owner" or "Unit Owner" shall mean any individual, corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado that is the record owner of a fee simple interest in one or more Condominium Units according to the real property records of Eagle County, Colorado. Declarant is the initial Owner of each Condominium Unit. Owner does not include a person having an interest in a Unit solely as security for an obligation.

2.31: Person. A Person is an individual, corporation, business trust, estate trust, partnership, association, joint venture, government, government subdivision or agency or other legal or commercial entity.

2.32: Property. Property is the land and all Improvements, easements, rights and appurtenances which have been submitted to the provisions of the Act by this Declaration.

2.33: Rules. "Rules" shall mean the rules and regulations in effect from time to time as adopted by the Executive Board in the manner set forth in the Declaration or pursuant to the Articles and Bylaws.

2.34: Security Interest. A Security Interest is an interest in real estate or personal property, created by contract or conveyance, which secures payment or performance of an obligation. The term includes a lien created by a mortgage, deed of trust, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of

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an ownership interest in an Association, and any other consensual lien or title retention contract intended as security for an obligation.

2.35: Special Declarant Rights. Special Declarant Rights are rights reserved for the benefit of the Declarant to (1) complete improvements indicated on the Plat and Plans filed with the Declaration; (2) exercise any Development Right; (3) maintain sales offices, management offices, signs advertising the Common Interest Community and models; (4) use easements through the Common Elements for the purpose of making improvements within the Common Interest Community or within real estate that may be added to the Common Interest Community; or (5) appoint or remove an officer of the Association or any other association or any Executive Board member during any period of Declarant control; (6) to make the Common Interest Community subject to a master association; and (7) to merge or consolidate a Common Interest Community of the same form of ownership.

2.36: Trustee. The Trustee is the entity which may be designated by the Executive Board as the Trustee for the receipt, administration and disbursement of funds derived from insured losses, condemnation awards, special assessments for uninsured losses and other sources. If no Trustee has been designated, the Trustee will be the Executive Board acting by majority vote, as executed by the president and attested by the secretary.

2.37: Unit. "Unit" shall mean a physical portion of Savoy Villas Condominiums designated for separate ownership by individuals or entities the boundaries of which are determined from the Map together with (a) all fixtures and improvements contained within such boundaries; (b) the inner decorated or finished surfaces of all walls, floors and ceilings which constitute such boundaries; (c) the inner decorated or finished surface all doors and windows which constitute such boundaries and (d) all space and interior, nonsupporting walls contained within such boundaries.

ARTICLE 3

PROPERTY RIGHTS

3.01: Condominium Units.

(a) The Property is hereby divided into four Condominium Units designated as Condominium Unit 1-A, Condominium Unit 1-B, Condominium Unit 1-C, and Condominium Unit 1-D. Each Condominium Unit consists of the Unit identified by such Condominium Unit's identifying number on the Map, the undivided interest in the Common Elements allocated to such Condominium Unit pursuant to Section 3.01(b) hereof and the exclusive right to use the Limited Common Elements allocated to such Condominium Unit pursuant to Section 3.01(c) hereof.

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(b) The total undivided interests in the Common Elements are hereby allocated to the Condominium Units in the following percentages:

Condominium Unit 1-A	26.56 percent
Condominium Unit 1-B	26.56 percent
Condominium Unit 1-C	23.44 percent
Condominium Unit 1-D	23.44 percent

(c) The following portions of the Common Elements are Limited Common Elements assigned to the specific Condominium Units as stated:

(1) Any chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column or other fixture which is partially within and partially outside the designated boundaries of a Condominium Unit, the portion serving only the Condominium Unit the use of which will be limited to that Condominium Unit and any portion serving more than one Condominium Unit or a portion of the Common Elements is a part of the Common Elements.

(2) Any shutters, awnings, window boxes, doorsteps, stoops, porches, decks, balconies, patios and exterior doors and windows or other fixtures designed to serve a single Condominium Unit, located outside the boundaries of the Condominium Unit are Limited Common Elements allocated exclusively to the Condominium Unit and their use is limited to that Condominium Unit.

(3) Attic space above each Condominium Unit that has an attic, the use of which is limited to the Condominium Unit beneath it.

(4) Chimneys, the use of which is limited to the Unit in which its fireplace is located. In the event of a multiple-flue chimney, each flue will be a Limited Common Element allocated to the Condominium Unit containing its fireplace while the chimney will be a Limited Common Element allocated to Condominium Units using the flue.

(5) Utility areas, the use of which is limited to the Condominium Unit or Condominium Units as shown on the Plat and Plans.

(6) Storm windows and storm doors, if any, will be Limited Common Elements of the Condominium Unit which they service.

(7) Certain courtyards, patios, decks attached to each Unit, and parking areas, the use of which is limited to the Condominium Unit as shown on the Plat and Plans.

(8) Exterior doors and windows will be Limited Common Elements allocated to the Condominium Unit sheltered.

(9) Mailboxes, name plates and exterior lighting (if any) affixed to the building will be Limited Common Elements allocated to the Condominium Units served.

(10) Any area identified as such or as "L.C.E." on the Plat together with one or more numbers which correspond with identifying number or numbers of one or more Condominium Units. Such Limited Common Elements are allocated to the Condominium Units in accordance with the identifying number of such Condominium Units as shown on the Map.

3.02: Easements.

(a) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of each Owner and any governmental, quasi-governmental or private entity providing utility services to the Building over, under access, upon, and through the Common Elements for installing, replacing, repairing, maintaining and providing all utility services to the Building including, without limitation, water, gas, electric, storm sewer, sanitary sewer, cable television, satellite communications and telephone services. After the initial construction of the Building has been completed, no facilities and equipment which provide such utility services may be installed or relocated in the General Common Elements without the prior written approval of the Association subject to Section 3.10 hereof. Such utility service shall only be installed or relocated in such manner as to cause the least interference, as is reasonably possible, to the Unit affected by such installation. Any entity providing such utility services shall be responsible for any damage caused by such entity to the General Common Elements and the Units while utilizing the Easement created by this Section 3.02(a) and for any costs incurred by the Association as a result of such damage and shall be further required to promptly repair or restore any portion of the General Common Elements and the Units disturbed or damaged by such entity's utilization of the Easement created by this Section 3.02(a). The Easement created by this Section 3.02(a) shall be appurtenant to each Condominium Unit so that a transfer of title to any interest in such Condominium Unit shall automatically transfer a proportionate interest in such Easement.

(b) Declarant hereby makes, establishes, declares, grants and reserves a perpetual, non-exclusive easement in favor of all police, sheriff, fire protection and ambulance services and any other provider of emergency services, over, across, upon and through those portions of the Common Elements or other areas designed to provide pedestrian and vehicular access to and within the Building for the purpose of performing the services of such providers of emergency services.

3.03: Title to Condominium Units. Title to a Condominium Unit may be held individually or by any entity or in any form of concurrent ownership recognized in Colorado. In case of any such concurrent

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ownership, each co-owner shall be jointly and severally liable for performance and observance of all the duties and responsibilities of an Owner with respect to the Condominium Unit in which such Owner owns an interest.

3.04: Legal Description. Any contract of sale, deed, lease, deed of trust, mortgage, will or other instrument affecting a Condominium Unit shall legally describe it substantially as follows:

"Condominium Unit _____, Savoy Villas Condominiums, Eagle County, Colorado, according to the Condominium Declaration for Savoy Villas Condominiums recorded on _____, 1994, in Book _____ at Page _____ of the real estate records of Eagle County, Colorado, and the Map of Savoy Villas Condominiums recorded on _____, 1994, in Book _____ at Page _____ of the real estate records of Eagle County, Colorado (collectively such declaration and map are hereinafter called the "Declaration");

TOGETHER WITH all easements appurtenant thereto as granted pursuant to the Declaration;

SUBJECT, HOWEVER, to all of the terms and conditions contained in the Declaration."

Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, lease or otherwise affect not only the Condominium Unit, but also the interest in the Easements made appurtenant to such Condominium Unit by this Declaration. The interest in the Easements made appurtenant to any Condominium Unit shall be deemed conveyed or encumbered with that Condominium Unit, even though the legal description in the instrument conveying or encumbering such Condominium Unit may only refer to that Condominium Unit. The reference to the Declaration in any instrument shall be deemed to include any supplements or amendments to the Declaration, without specific reference thereto.

3.05: Separate Assessment. Declarant shall give written notice to the Assessor of Eagle County, Colorado requesting that the Condominium Units be separately assessed and taxed and that the total value of the Common Elements be assessed and taxed proportionately with each Condominium Unit in accordance with such Condominium Unit's Sharing Ratio as provided in Section 105 of the Act. After this instrument has been recorded in the real estate records of Eagle County, Colorado, Declarant shall deliver a copy of this instrument as recorded to the Assessor of Eagle County, Colorado.

3.06: Use Compliance. The use of the Condominium Units shall comply with: (a) the terms, conditions and obligations set forth in the Declaration; (b) the matters set forth on the Map; and (c) all present and future laws, rules, requirements, orders, directions, ordinances and

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regulations (including zoning regulations) affecting the Condominium Units of any governmental authority having jurisdiction over the Condominium Units and of their departments, bureaus or officials.

3.07: No Partition of Common Elements. The Common Elements shall be owned by all of the Owners and are not subject to partition. Any purported conveyance, encumbrance, judicial sale or other voluntary or involuntary transfer of an undivided interest in the Common Elements made without the Condominium Unit to which such undivided interest is allocated shall be void in accordance with the provisions of Section 207(6) of the Act. This Section shall not, however, limit or restrict the right of the Owners of a Condominium Unit to: (a) reallocate Limited Common Elements between or among the Condominium Units, relocate boundaries between adjoining Condominium Units as long as the Unit Owners and First Lienors affected by such change consent to such reallocation, relocated boundary lines or resubdivision or (b) bring a partition action pursuant to Section 38-28-101 et seq. of Colorado Revised Statutes requesting the sale of the Condominium Unit and the division of the proceeds among such Owners; provided that no physical division of the Condominium Unit shall be permitted as a part of such action and no such action shall affect any other Condominium Unit or the Common Elements.

3.08: Encroachments. If any part of the Common Elements now or hereafter encroaches upon any portion of any Unit, or if any part of a Unit now or hereafter encroaches upon any portion of another Unit or the Common Elements as a result of construction or as a result of settling or shifting after construction, a valid easement for the encroachment and for the maintenance of the same shall exist so long as such Common Element or Unit (as the case may be) stands. In the event a Common Element or Unit shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of any part of such Common Element upon any portion of a Unit or encroachments of any part of such Unit upon any portion of another Unit or the Common Elements due to such rebuilding, shall be permitted provided such encroachment does not interfere with the use and enjoyment of the Unit encroached upon and only affects the market value of the unit encroached upon to a diminutive amount, and valid easements for such encroachments and the maintenance thereof shall exist so long as such Common Element or Unit (as the case may be) shall stand.

3.09: No Mechanic's Liens.

(a) If any Owner shall cause any material to be furnished to such Owner's Condominium Unit or any labor to be performed therein or thereon, no Owner of any other Condominium Unit shall under any circumstances be liable for the payment of any expense incurred or for the value of any work done or material furnished. All such work shall

be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, laborers, materialmen and other persons furnishing labor or materials to such Owner's Condominium Unit. Nothing herein contained shall authorize any Owner or any person dealing through, with or under any Owner to charge the Common Elements or any Condominium Unit other than that of such Owner with any mechanic's or materialman's lien or other lien or encumbrance whatever. On the contrary (and notice is hereby given) the right and power to charge any lien or encumbrance of any kind against the Common Elements or against any Owner or any Owner's Condominium Unit for work done or materials furnished to any other Owner's Condominium Unit is hereby expressly denied.

(b) If, because of any act or omission of any Owner, any mechanic's or materialman's lien or other lien or order for the payment of money shall be filed against the Common Elements or against any other Owner's Condominium Unit or against any other Owner or against Declarant or the Association (whether or not such lien or order is valid or enforceable as such), the Owner whose or which act or omission forms the basis for such lien or order shall at such Owner's own cost and expense cause the same to be canceled and discharged of record or bonded in an amount and by a surety company reasonably acceptable to the party or parties affected by such lien or order within 20 days after the filing thereof, and further shall indemnify and save all such parties harmless from and against any and all costs, expenses, claims, losses or damages including, without limitation, reasonable attorney's fees resulting therefrom.

3.10: Rights of Declarant.

(a) The Declarant reserves the following development rights:

(i) The right by amendment to create Units, Common Elements and Limited Common Elements in the locations shown as "Development Rights Reserved in this Area" on the Plat and Plans.

(ii) The right to construct underground utility lines, pipes, wires, ducts, conduits and other facilities across the land not designated "Development Rights Reserved in this Area" on the Plat for the purpose of furnishing utility and other services to buildings and Improvements to be constructed on the Property and on land designated "Development Rights Reserved in this Area" on the Plat. The Declarant also reserves the right to withdraw and grant licenses or easements to public utility companies and other entities providing services to the Common Interest Community and to convey Improvements within those easements anywhere in the Common Interest Community not occupied by buildings, for the purposes mentioned above. If the Declarant grants a recorded easement, Exhibit B will be amended to include reference to the recorded easement.

(iii) The right to withdraw all or a portion of the Property marked as "Development Rights Reserved in this Area" on the Plat.

(b) The Development Rights reserved in Section (a) are limited as follows:

(i) The Development Rights may be exercised at anytime, subject to the maximum time permitted by law, after the recording of the initial Declaration;

(ii) Not more than 21 additional Units may be created under the Development Rights;

(iii) The quality of construction of any buildings and improvements to be created on the Property shall be consistent with the quality of those constructed pursuant to this Declaration as initially recorded; and

(iv) With the exception of one unit which may be restricted to office use, all Units and Common Elements created pursuant to the Development Rights will be restricted to residential use in the same manner and to the same extent as the Units created under this Declaration as initially recorded.

(c) No assurances are made by the Declarant regarding the portions of the areas shown as "Development Rights Reserved in this Area" on the Plat and Plans as to whether the Declarant will exercise its Development Rights or the order in which such portions, or all of the areas, will be developed. The exercise of Development Rights as to some portions will not obligate the Declarant to exercise them as to other portions.

(d) The Declarant reserves the following Special Declarant Rights, to the maximum extent permitted by law, which may be exercised, where applicable, anywhere within the Common Interest Community:

(i) To complete Improvements indicated on the Plat and Plans filed with this Declaration;

(ii) To exercise a Development Right reserved in this Declaration;

(iii) To maintain sales offices, management offices, signs advertising the Common Interest Community and models:

(iv) To use easements through the Common Elements for the purpose of making Improvements within the Common Interest Community; and

(v) To appoint or remove any officer of the Association or any Executive Board member during a period of Declarant control

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subject to the provisions of Section 3.10(i) of this Declaration.

(e) As long as the Declarant is a Unit Owner, the Declarant, its duly authorized agents, representatives and employees may maintain any Unit owned by the Declarant or any portion of the Common Elements as a model Unit, sales office or management office.

(f) The Declarant reserves the right to perform warranty work, repairs and construction work in Units and Common Elements, to store materials in secure areas, and to control and have the right of access to work and repairs until completion. All work may be performed by the Declarant without the consent or approval of the Executive Board. The Declarant has an easement through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations or exercising Special Declarant Rights, whether arising under the Act or reserved in this Declaration. This easement includes the right to convey utility and drainage easements to public utilities, municipalities, the State, riparian owners or upland owners to fulfill the plan of development.

(g) The Declarant reserves the right to post signs and displays in the Common Elements in order to promote sales of Units. Declarant also reserves the right to conduct general sales activities in a manner which will not unreasonably disturb the rights of Unit Owners.

(h) The Declarant reserves the right to retain all personal property and equipment used in the sales, management, construction and maintenance of the Property that has not been represented as property of the Association. The Declarant reserves the right to remove from the Property (promptly after the sale of the last Unit) any and all goods and improvements used in development, marketing and construction, whether or not they have become fixtures.

(i) Declarant Control of the Association:

(i) Declarant shall be entitled during the Declarant Control Period (defined below) to appoint and remove members of the Savoy Villas Homeowners Association's Executive Board and officers of the Savoy Villas Homeowners Association, subject to the following restrictions:

(ii) Not later than sixty (60) days after conveyance by Declarant of twenty-five percent (25%) of the Units that may be created to Owners, at least one member and not less than twenty-five percent (25%) of the members of the Executive Board shall be elected by Unit Members other than Declarant.

(iii) Not later than sixty (60) days after conveyance by Declarant of fifty percent (50%) of the Units that may be created to Owners, not less than thirty-three and one-third percent (33

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1/3%) of the members of the Executive Board shall be elected by Unit Members other than Declarant.

(iv) No later than the termination of the Declarant Control Period, the Owners shall elect the entire Executive Board of which at least a majority must be Owners other than Declarant or its designee.

(v) The Declarant Control Period is hereby defined as the period of time commencing on date of incorporation of the Savoy Villas Homeowners Association and terminating on the earliest of the following events: (i) sixty (60) days after conveyance by Declarant of seventy-five percent (75%) of the Units that may be created to Owners, (ii) two (2) years after the last conveyance of a Unit by Declarant in the ordinary course of business or two years after any right to add new units was last exercised, or (iii) the date on which Declarant voluntarily relinquishes such power evidenced by a notice recorded in the Office of the Clerk and Recorder for Eagle County, Colorado.

(j) Unless terminated earlier by an amendment to this Declaration executed by the Declarant, any Special Declarant Right may be exercised by the Declarant until the earlier of the following: as long as the Declarant (a) is obligated under any warranty or obligation, (b) holds a Development Right to create additional Units or Common Elements, (c) owns any Unit; or (d) owns any Security Interest in any Units; or (e) ten years have elapsed after recording of this Declaration. Earlier termination of certain rights may occur by statute.

(k) Neither the Association nor any Unit Owner may take any action or adopt any rule that will interfere with or diminish any Development Right or Special Declarant Right without the prior written consent of the Declarant.

3.11: Rights of Owners. The Owners, including the Declarant when acting as an Owner, shall have the following rights, with the consent of the first lienor of the affected Unit(s), with respect to their Condominium Units as described in the Act: (a) the right to reallocate Limited Common Elements between or among Condominium Units in accordance with the provisions of Section 208(2) of the Act; and (b) the right to relocate boundaries between adjoining Condominium Units in accordance with the provisions of Section 212 of the Act.

ARTICLE 4

ALLOCATED INTERESTS

4.01: Allocation of Interests: The table showing Unit numbers and their Allocated Interests is set forth in 3.01(b) above. These interests have been allocated in accordance with the formulas set out in

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this Article. The same formulas are to be used in reallocating interests if Units are added to the Common Interest Community.

4.02: Formulas for the Allocation of Interests: The interests allocated to each Unit have been calculated by the following formulas:

(a) Undivided Interest in the Common Elements. The percentage of the undivided interest in the Common Elements allocated to each Unit is based on the number of interior square feet in each Unit (exclusive of any garage or patio area) divided by the number of square feet of all the Units in the Common Interest Community, multiplied by 100.

(b) Liability for the Common Expenses. The percentage of the undivided interest in the Common Elements allocated to each Unit is based on the percentage ownership of the Common Elements in the Common Interest Community.

(c) Votes. Each Unit in the Common Interest Community shall have an equal vote.

4.03: Allocated Interests Pursuant to Exercise of Development Rights: The effective date for assigning Allocated Interests to Units created pursuant to Section 3:10(a) of this Declaration shall be the date on which the amendment creating the Units is recorded in the real property records of the County of Eagle, State of Colorado.

ARTICLE 5

RESTRICTIONS

5.01: Use Restrictions. Condominium Units 1-A, 1-B, 1-C, and 1-D shall be used and occupied primarily for residential use and for such other purposes as are incidental to such primary use. The above stated use and occupancy shall be only as permitted by and subject to the appropriate and applicable governmental zoning and use laws from time to time in effect. An Owner shall have the right to lease such Owner's Condominium Unit upon such terms and conditions as such Owner may deem advisable; provided, however, that (a) any such lease shall provide that the lease is subject to the terms of the Declaration, (b) a Condominium Unit may be leased only for the above use and occupancy, and (c) any failure of a lessee to comply with the terms of the Declaration, the Articles, the Bylaws, or the Rules shall constitute a default by such Owner under the applicable document. The restrictions contained in this Section shall not apply to Declarant to the extent Declarant exercises any of the rights of Declarant set forth in Section 3.10 hereof.

5.02: Declarant's Use During Construction. During the period of construction of the Building, Declarant, its agents, employees and contractors shall be permitted to maintain on any portion of the

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Property, such facilities as in the sole discretion of Declarant may be reasonably required, convenient or incidental to such construction, including, without limitation, storage areas, construction yards, construction offices, parking areas and lighting and temporary parking facilities. Declarant, its agents, employees and contractors hereby reserve an easement over, across, through and upon the Common Elements for the purposes of (a) discharging Declarant's obligations under the Declaration or the Act; (b) exercising any of the special declarant rights described in Section 3.10 hereof or (c) exercising any of Declarant's other rights under the Declaration.

5.03: Restrictions on Animals. No animals, livestock, horses or poultry or any kind shall be kept, raised or bred within any Unit or within the Common Elements, except that dogs, cats and other domesticated household animals not to exceed two in number may be kept by a Unit Owner as household pets so long as such pets are not a nuisance to any other Unit Owner. Pedestrians accompanied by a household pet within the Common Elements must have said pet under their direct control by use of a leash not to exceed ten feet in length. No animals shall be allowed to remain tied or chained to any decks, balconies, patios or other parts of the Property, and any such animal(s) so tied or chained may be removed by the Association or its agents. The Executive Board shall be entitled to adopt rules and regulations which specifically relate to the issues of whether and what types of household pets may be kept in the Condominium Units and upon the Property. The Executive Board shall also have the absolute power to prohibit any pet from being kept upon the Property or in any of the Condominium Units, if such pet causes a violation of Section 5.06.

5.04: Parking. No vehicle of any type may be parked on the Property except in parking spaces designated by the Association or as shown on the Plat. No commercial type of vehicle and no recreational vehicles shall be stored or parked on the Property except in areas (if any) designated by the Association. A recreational vehicle shall include for purposes of this Declaration, motor homes, motor coaches, buses, pickup trucks with camper tops or similar accessories, boats, camping trailers or trailers of any type. Parking spaces shall be used only for parking automobiles and motor cycles and not for any other storage purposes. Motorcycles and bicycles shall not be stored on porches, balconies, decks, patios or yard areas.

5.05: Trash and Unsightly Uses: Unsightly objects and materials shall not be placed upon the Common Elements and no part of the Common Elements may be used as a dumping ground for garbage, trash or other waste except in areas designated from time to time by the Association as a common garbage disposal area, and the same shall be disposed of in a sanitary manner. The Association shall have the right to enter upon any Common Elements and to remove such refuse piles or other unsightly objects and material at the expense of the Unit Owner causing the same, and such entry shall not be deemed a trespass.

5.06: No Noxious, Offensive Hazardous or Annoying Activities. Except as otherwise expressly provided in this Declaration, the Property and each Condominium Unit shall be used and occupied for the purposes described in Section 5.01. Noxious, destructive, or offensive activity, or any activity constituting an unreasonable source of annoyance, shall not be conducted in any Condominium Unit or upon the Property, and the Association shall have standing to initiate legal proceedings to abate such activity. Each Owner shall refrain from any act or use of his or her Condominium Unit which could cause unreasonable discomfort or annoyance to other Owners, and the Executive Board shall have the power to make and to enforce reasonable rules and regulations in furtherance of this Section.

5.07: No Imperiling of Insurance. No Owner and no Owner's Guests shall do anything or cause anything to be kept in or on Savoy Villas Condominiums that might result in an increase in the premiums of insurance obtained for Savoy Villas Condominiums or which cause cancellation of such insurance without the prior written consent of the Association first having been obtained, unless such use is a permitted use under Article 5.01 above.

5.08: No Violation of Law. No Owner and no Owner's Guests shall do anything or keep anything in or on the Savoy Villas Condominiums which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

5.09: No Time Share Estate. No Owner of any Condominium Unit shall be entitled to subject such Owner's Condominium Unit to a "time share estate" (as such term is defined in Section 38-33-110 of Colorado Revised Statutes) unless such Owner shall have obtained the prior written consent of all of the Owners of the other Condominium Units.

ARTICLE 6

ARCHITECTURAL CONTROL

6.01: Approval of Construction and Exterior and Interior Modifications. Declarant shall be entitled to construct the Building without the prior written permission of the Executive Board. No modifications to a Condominium Unit which would be visible from the exterior of the Building may be undertaken without in each case obtaining the prior written permission of the Executive Board of the proposed modification. In considering each request for approval, the Executive Board shall attempt to maintain the first-class appearance of the Savoy Villas Condominiums and to assure that all Condominium Units are architecturally compatible.

Unit Owners may make alterations or improvements to the interior of their Units that do not impair the structural integrity, electrical

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systems, mechanical systems, sound transmission to other Units, or lessen the support of any portion of the Common Interest Community. In addition, no Owner shall install any floor covering, other than carpet, in the living room or dining room areas of a Unit if such areas are over another Unit, without the prior written permission of the Association. No such approval may be given by the Association, unless such installation of the floor covering conforms to guidelines set forth by an architect or engineer chosen by the Association in an attempt to lessen the sound transmission to another Unit.

6.02: Approval Procedures. Whenever any Owner requests approval from the Executive Board as described in Section 6.01 hereof, the Executive Board may request that such Owner provide the Executive Board with such items as the Board may reasonably request in order to inform the Executive Board about the matter requiring approval. The Executive Board shall not be required to take any action with respect to a requested approval unless and until the Executive Board receives all items reasonably requested by the Executive Board. Once all of such items have been furnished to the Executive Board, the Executive Board shall have 30 days to approve the request as submitted, to approve the request with such reasonable conditions as the Executive Board may require or to reject the request and, if the Executive Board does not so act within such 30 day period, the request shall be deemed approved as submitted. If the request is approved, the modification approved shall be undertaken by the Owner in accordance with the items submitted to the Executive Board and any conditions placed upon such approval by the Executive Board.

6.03: No Liability. The Executive Board shall not be responsible or liable for damages because of any failure to act, disapproval or failure to approve or disapprove any request for approval described in Section 6.01 or because of any defects in any items submitted to the Executive Board in connection with any request for approval. Any Owner requesting approval by the Executive Board by so doing agrees and covenants not to bring any action or suit to recover damages against the Executive Board, its members as individuals, or its advisors, employees or agents or the Association and its officers and members. Nothing contained herein shall prohibit an Owner from seeking injunctive or declaratory relief from a court of competent jurisdiction.

ARTICLE 7

THE ASSOCIATION

7.01: Membership.

(a) Declarant shall be a member of the Association for so long as Declarant is the Owner of any Condominium Unit. Each individual, corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in

Colorado shall automatically become a member of the Association upon becoming an Owner of a Condominium Unit. Membership shall be continuous throughout the period that such ownership continues and shall be appurtenant to and inseparable from ownership of a Condominium Unit. Membership shall terminate automatically without any Association action whenever Declarant or any other Owner ceases to own a Condominium Unit. Termination of membership shall not relieve or release any former member from any liability or obligation incurred by virtue of or in any way connected with ownership of a Condominium Unit or impair any rights or remedies which the Association or others may have against such former member arising out of or in any way connected with such ownership or membership.

(b) (i) The total number of votes in the Association shall be equal to the number of Units located on the Property as shown by the Declaration and Plat as amended from time to time. The votes are hereby allocated to each existing Condominium Unit as follows:

Condominium Unit 1-A	1 vote
Condominium Unit 1-B	1 vote
Condominium Unit 1-C	1 vote
Condominium Unit 1-D	1 vote

(c) If there is only one Owner of a Condominium Unit, such Owner shall be entitled to cast the votes allocated to such Condominium Unit at any meeting of members. If there are multiple Owners of a Condominium Unit and only one of such multiple Owners is present at a meeting of the members, such Owner shall be entitled to cast the votes allocated to such Condominium Unit. If there are multiple Owners of a Condominium Unit and more than one of the multiple Owners of such Condominium Unit are present at a meeting of the members, the votes allocated to such Condominium Unit may be cast only in accordance with the agreement of a majority in interest of such Owners as such agreement may be reasonably evidenced to the person presiding over such meeting. It is reasonable evidence of the agreement of a majority interest of multiple Owners of a Condominium Unit if any one of such Owners casts the votes allocated to such Condominium Unit without protest being made promptly to the person presiding over the meeting of the members by any of the other Owners of such Condominium Unit. Declarant and each member which is a corporation, partnership, limited liability company, joint venture, trust or other legal entity capable of holding title to real property in Colorado shall from time to time designate in writing to the Association one or more individuals who may represent it at a meeting, and vote on its behalf. Until the Association is notified in writing to the contrary, any action taken by any person(s) designated in writing to represent Declarant or such member shall be binding upon Declarant or such member, as the case may be.

(d) The rights and obligations of members of the Association are further delineated in the Articles, the Bylaws and the Rules and each

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Owner is advised to obtain copies of the then current Articles, Bylaws and Rules upon becoming an Owner.

(e) Each member shall comply strictly with the provisions of the Declaration, the Articles, the Bylaws and the Rules. The failure of a member to comply strictly with such provisions shall permit the Association to suspend a member's voting rights while in noncompliance and to take the actions outlined in Section 15.01 hereof to enforce the Declaration. In addition, the Bylaws and the Rules may permit the Association to take further actions in the event of noncompliance by a member with such provisions.

7.02: Powers of the Association.

(a) Savoy Villas Condominiums shall be administered and managed by the Association pursuant to the Declaration, the Articles, the Bylaws, the Rules and the Act. The Association shall have all of the powers expressed in, or implied from, the provisions of the Declaration, the Articles, the Bylaws, the Rules and the Act subject; however to the following limitations:

(i) except for the power to grant easements, leases, licenses and concessions through or over the Common Elements set forth in Section 302(1) of the Act, the Association shall not convey or encumber the Common Elements unless all Owners, and all First Lienors have given their approval thereof;

(ii) the Association shall be organized and operated exclusively for pleasure, recreational and other non-profitable purposes as set forth in Section 501(c)(7) of the Internal Revenue Code of 1986, as it is now or may hereafter be amended, or in any corresponding provisions of any future law of the United States of America providing for the exemption of similar organizations from income taxation; and

(iii) no part of the net earnings of the Association shall inure to the benefit of any member of the Association.

(b) Without limiting the generality of the foregoing, the Association shall have the power from time to time as it deems necessary and appropriate to adopt, amend and enforce the Rules in order to implement the provisions of the Declaration including without limitation, Rules intended to promote the general health, safety and welfare of persons within Savoy Villas Condominiums, to protect and preserve property and to regulate the use of the Common Elements. All of the Rules adopted by the Association shall be reasonable and shall be uniformly applied. The Association may provide for enforcement of the Rules through reasonable and uniformly applied fines and penalties, which shall be collectable by the Association as a charge pursuant to the provisions of Article 9 hereof. Each Owner, and such Owner's Guest

shall be obligated to and shall comply with and abide by the Rules and pay such fines or penalties upon failure to comply with or abide by the Rules. The Association shall not be responsible to any Owner or Guest for the non-observance by any other Owner or Guest of the Rules.

7.03: Executive Board. The Executive Board is hereby designated to act on behalf of the Association and shall be responsible for the control and management of the Association and the disposition of its funds and property; provided, however that the Executive Board may not act on behalf of the Association to: (a) amend the Declaration; (b) terminate Savoy Villas Condominiums except as set forth in Section 218 of the Act; or (c) elect Directors or determine the qualifications, powers and duties, or terms of office of Directors, but the Executive Board may fill vacancies in the Executive Board for the unexpired portion of any term. The number of directors, their terms of office and their qualifications shall be determined according to the Bylaws. The members of the Association shall elect all directors. Within 5 days after the Owners other than Declarant elect a majority of the directors, Declarant shall deliver to the Association all property of the Owners and of the Association held by or controlled by Declarant, including without limitation, the items specified in Section 303(9)(a) through (1) of the Act.

Notwithstanding anything to the contrary, herein, until the Owner Control Date, the officers and members of the Board shall be appointed and removed as set forth in Section 3.10.

7.04: Officers. The officers of the Association shall be a president, a secretary, a treasurer and such other officers as may from time to time be prescribed by the Bylaws. The terms of office of the officers of the Association and their qualifications shall also be determined according to the Bylaws.

ARTICLE 8

MAINTENANCE AND INSURANCE

8.01: Maintenance by Owners.

(a) Each Owner shall be responsible for the following maintenance and repair of the following portions of such Owner's Condominium Unit;

(i) the maintenance and repair of the interior portions and exterior doors and windows (except for the painting of exterior doors and windows which shall be an Association expense) of such Owner's Unit;

(ii) the maintenance and repair of the water, sewer, electrical, natural gas, telephone and other utility services located within such Owner's Unit; and

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(iii) The maintenance, repair or replacement of heat exchangers, boilers, hot tubs or other mechanical devices serving that unit only. If any such Limited Common Element is assigned to more than one Unit, such expense shall be shared equally among the Units to which it is assigned. Each Unit Owner shall be responsible for removing all snow and debris from all patios, balconies and sidewalks which are Limited Common Elements appurtenant to his or her Unit. If any such Limited Common Element is appurtenant to more than one Unit, the Owners of those Units will be jointly responsible for such removal.

(b) In performing the maintenance or repair required by Section 8.01(a) hereof, no Owner shall do any act or work which impairs or otherwise affects the Common Elements. If, in the reasonable judgment of the Association, an Owner has failed to maintain those portions of such Owner's Condominium Unit, which such Owner is required to maintain in a clean, safe, attractive and sightly condition and in good repair consistent with the high standards of Savoy Villas Condominiums, the Association, may after 10 days' notice to such Owner, perform all work deemed necessary by the Association to place such Condominium Unit in conformity with the foregoing standards and shall have access to such Condominium Unit for such purposes. The Association shall be reimbursed by the Owner who or which failed to adequately maintain such Owner's Condominium Unit for all costs of the work performed by the Association pursuant to the authorization contained in the preceding sentence, for interest on such costs from the date incurred at the annual rate of 24 percent or the maximum allowed by law, whichever is less, and for all costs of collection of the amounts to be reimbursed, including reasonable attorneys' fees.

8.02: Maintenance by the Association.

(a) The Association shall be responsible for the following maintenance and repair:

(i) those portions of the Condominium Units which are not required by Section 8.01(a) hereof to be maintained by the Owners,

(ii) the Common Elements; and

(iii) the Limited Common Elements except as specified in paragraph 8.01(a)(iii) above.

(b) The costs of the maintenance and repair required by Section 8.02(a) hereof shall be a Common Expense. If, however, the need to perform such maintenance results from the negligence or intentional act of an Owner or such Owner's Guests, such Owner shall reimburse the Association for all costs of such maintenance and repair, for interest on such costs from the date incurred at the annual rate of 21 percent or

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the maximum allowed by law, whichever is less, and for all costs of collection of the amounts reimbursed including, without limitation, reasonable attorneys' fees.

8.03: Insurance.

(a) The Association shall provide and keep in force the following insurance:

(i) Property damage insurance on the Building (including the Condominium Units comprising the Building) and any other improvement included within the Common Elements (including fixtures and building service equipment and common personal property and supplies owned by the Association) insuring against loss by fire, lightning and the risks covered by the "all risks" endorsement of the insurer (which risks shall include at least vandalism, malicious mischief and those risks covered by a standard broad form coverage endorsement) in an amount not less than the full replacement value of the Building and any other improvement included within the Common Elements (without deduction for depreciation but less applicable deductibles and exclusive of the costs of land, excavation, foundations, paving and other items normally excluded from property policies) in an agreed amount endorsement but with a schedule of insured values for each Condominium Unit contained in the Building and for each other improvement included within the Common Elements. Such insurance shall be carried in blanket policy form naming the Association as the insured, shall provide that losses shall be payable to and adjusted with the Association as attorney-in-fact for the Owners and shall be for the protection of all Owners and First Lienors as their interests may appear. The Association shall hold and apply the proceeds of such insurance as set forth in the Declaration but consistent with the terms of any deed of trust of a first lienor.

(ii) Commercial general public liability insurance for the protection of the Association, its officers and directors, all Owners, all First Lienors, the managing agent engaged by the Association (if any) and their respective employees, agents and contractors, as their interests may appear, insuring against any liability arising from the ownership, existence, use, or maintenance of the Common Area (including liability for death, personal injury and property damage) in the combined single limit amount of not less than \$1,000,000.00 or in such greater amount as the Executive Board shall determine. Such insurance shall cover claims of one or more insured parties against other insured parties.

(iii) Fidelity insurance in an amount not less than one-half of the then current aggregate annual assessments of the Association plus reserves, as calculated from the then current Budget, covering any Owner or employee of the Association who disburses funds of the Association, and covering any managing agent engaged by the Association, all at the election of the Association, and only if such insurance is available to

the Association without payment of a premium which is, in the judgment of the Association, excessive.

(iv) Directors and officers liability insurance and error and omissions insurance coverage in such amounts as the Association shall determine for the protection of the Association, its officers, directors and employees, but only if such insurance is available to the Association without payment of a premium or premiums which is or are, in the judgment of the Association, excessive.

(v) Such other insurance in such amounts as the Association may consider necessary or advisable against such other insurable hazards as the Association may from time to time wish to insure against.

(b) The costs of obtaining and maintaining all insurance which is carried by the Association pursuant to the provisions of Section 8.03(a) hereof shall be a Common Expense to be prorated among all Owners as set forth in the Declaration, notwithstanding the fact that the Owners may have disproportionate liability. All such insurance shall be issued by responsible insurance companies authorized to do business in the State of Colorado. Each policy of insurance described in Sections 8.03(a)(i) and (ii) hereof shall contain the following provisions: (i) such policy shall not be materially modified or cancelled without at least 30 days prior written notice to the Association and to each Owner and First Lienor whose or which address has been made known to the insurer; (ii) the insurer waives its rights of subrogation under such policy as to any claim against the Association, its officers, directors and employees, any Owner and members of such Owner's household and any First Lienor; (iii) each Owner is an insured person under such policy with respect to liability arising out of such Owner's membership in the Association; (iv) no act or omission of an Owner, unless acting within the scope of such Owner's authority on behalf of the Association, shall void such policy or operate as a condition to recovery under such policy; and (v) if, at the time of loss under such policy, there is other insurance in the name of an Owner covering the risk covered by such policy, the Association's policy shall provide primary insurance. If the insurance described in Section 8.03 (a)(iii) and (iv) hereof is not reasonably available, or the Association has elected not to carry such insurance, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of such fact to be hand delivered or sent prepaid by United States mail to all Owners.

(c) Each Owner shall be solely responsible for obtaining and maintaining any insurance covering loss or damage to personal property in such Owner's Unit and covering liability for injury, death or damage occurring inside such Owner's Unit. Any policy of such insurance shall contain waivers of subrogation as to any claim against the Association, its officers, directors and employees, any Owner and such Owner's Guests and any First Lienor and shall be so written that the liability of the

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insurers issuing insurance obtained by the Association shall not be affected or diminished thereby.

ARTICLE 9

ASSESSMENTS AND CHARGES

9.01: Annual Assessments.

(a) Until the Association establishes an annual assessment for Common Expenses for the initial fiscal year of the Association, Declarant shall pay all Common Expenses. The Association shall establish prior to the conveyance of any Condominium Unit by Declarant, an annual assessment with respect to the initial fiscal year of the Association for the purpose of paying or creating a reserve for Common Expenses. The amount of the annual assessment for the initial fiscal year of the Association and for each fiscal year thereafter shall be based upon the Budget adopted by the Association. The Budget shall be based upon a good faith estimate of the Common Expenses to be paid or reserved for the year covered by the Budget including, without limitation, an estimate of the costs of the maintenance and repair required to be performed by the Association pursuant to the provisions of Section 8.02 hereof during such year, an estimate of the costs of the insurance described in Section 8.03 hereof to be obtained by the Association during such year and an estimate of the amount of funds to be reserved during such year for the costs of the periodic refurbishing and replacement of those items which are to be maintained and repaired by the Association pursuant to the provisions of Section 8.02 hereof as such items wear out or become obsolete so that the costs of such periodic refurbishing or replacement may be paid through the annual assessments instead of special assessments. The Executive Board shall establish the annual assessment for the initial fiscal year of the Association without a vote of the Owners. The annual assessments for any fiscal year after the initial fiscal year shall be established only after a Budget is adopted in accordance with the provisions of Section 9.01(b) hereof.

(b) After the initial fiscal year of the Association or in the event the Association desires to make an adjustment to an annual assessment previously established during a fiscal year, the Executive Board shall adopt a proposed Budget to serve as the basis for the establishment of the annual assessment or the adjustments to the annual assessment (as the case may be). Within 30 days after the adoption of such proposed Budget, the Executive Board shall mail, by ordinary first-class mail, or otherwise deliver a summary of such proposed Budget to all Owners and shall set a date for a meeting of Owners to consider ratification of such proposed Budget not less than 14 nor more than 50 days after mailing or other delivery of the summary. Unless at that meeting Owners holding 80 percent or more of the total votes of the Association reject such proposed Budget, such proposed Budget is

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ratified, whether or not a quorum is present. In the event such proposed Budget is rejected, the Budget last ratified by the Owners shall be continued until such time as the Owners ratify a subsequent Budget proposed by the Executive Board and the proposed annual assessment or adjustment to the annual assessment shall be based upon such continued Budget.

9.02: Special Assessments. In addition to the annual assessments authorized above, the Association may establish at any time a special assessment for the purpose of paying or creating a reserve for, in whole or in part, the cost of any expense which the Association is entitled to incur pursuant to the provisions of the Declaration or the Bylaws and which is not scheduled to be paid in a Budget adopted by the Association. No special assessment may be levied by the Association unless such special assessment has been approved by the Executive Board and by the majority vote of the Owners present in person or proxy at a meeting called for such purpose at which a quorum was present.

9.03: Payments of Assessments. All annual assessments shall be payable in equal quarterly installments. Each quarterly installment of the annual assessments shall be due on the first day of each quarter in the amount specified in the most recent written notice from the Association until the Association notifies an Owner in writing of a different amount. At the option of the Association, all special assessments may be payable in a lump sum or in quarterly installments. Each special assessment shall be due 30 days after the Association gives an Owner notice of the amount of such Owner's assessment. The Association may charge and collect interest at an annual rate of 21 percent or the maximum allowed by law, whichever is less, on any annual or special assessment which is not paid when due.

9.04: Charges. Each Owner shall be liable for all charges with respect to such Owner or such Owner's Condominium Unit as set forth in the Declaration. For the purposes of this Article the term "charges" shall mean the costs to be reimbursed to the Association by an Owner pursuant to the provisions of the Declaration including, without limitation, pursuant to the provisions of Sections 9.01(a), 9.01(b) and 9.02 hereof, and fines and penalties for violations of the Rules as described in Section 7.02(b) hereof. Any charge shall be due within 10 days after notice of the amount of such charge is delivered to an Owner and, if not paid when due, shall bear interest at an annual rate of 21 percent or the maximum allowed by law, whichever is less. Any charge collected by the Association shall be used by the Association in furtherance of its duties hereunder or to defray Common Expenses.

9.05: Liability of Owners

(a) The liability for annual and special assessment of the Common Expenses is hereby allocated to each Condominium Unit in the following percentages:

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Condominium Unit 1-A	26.56 percent
Condominium Unit 1-B	26.56 percent
Condominium Unit 1-C	23.44 percent
Condominium Unit 1-D	23.44 percent

(b) The amount of any annual and special assessment and charges payable with respect to an Owner or such Owner's Condominium Unit shall be a personal obligation of the Owner of such Condominium Unit and such Owner's heirs, devisees, personal representatives, successors and assigns and, if there are multiple Owners of one Condominium Unit, such obligation shall be a joint and several obligation of each Owner of such Condominium Unit. Except as set forth in Section 9.06 hereof, a party acquiring fee simple title to a Condominium Unit shall be jointly and severally liable with the former Owner of the Condominium Unit for all such amounts which had accrued and were payable at the time of the acquisition of fee simple title to the Condominium Unit by such party without prejudice to such party's right to recover any of such amounts paid by such party from the former Owner. No Owner shall be exempt from liability for payment of such Owner's share of the Common Expenses either by waiver of the use or enjoyment of the Common Elements or Easements or by abandonment of such Owner's Condominium Unit.

9.06: Liability of First Lienors. The transfer of title to a Condominium Unit pursuant to a foreclosure of the lien of a First Lienor or pursuant to any procedure in lieu thereof shall extinguish the lien for annual and special assessments and charges against such Condominium Unit described in Section 9.07 hereof as to payments which become due prior to such transfer except to the extent specified in Section 316(2)(b) of the Act. A First Lienor shall not be personally liable for any assessment or charge payable by the Owner of the Condominium Unit encumbered by the lien of such First Lienor, but the Association agrees to accept any payment of such assessment or charge made voluntarily on behalf of such Owner by such First Lienor.

9.07: The Association's Lien. The Association shall have from the date of recording of this instrument a lien against each Condominium Unit to secure payment to the Association of all annual and special assessments with respect to such Condominium Unit and all charges with respect to each Owner of such Condominium Unit together with interest thereon at the annual rate of 21 percent or the maximum allowed by law, whichever is less, from the due date thereof and together with all costs and expenses of collecting such assessments and charges including, without limitation, reasonable attorney's fees. The Association's lien shall be prior and superior to all other liens and encumbrances on a Condominium Unit except: (a) liens and encumbrances recorded prior to the recordation of this instrument; (b) the lien of a First Lienor with respect to such Condominium Unit except to the extent specified in Section 316(2)(b) of the Act; (c) liens for real estate taxes and other governmental charges against such Condominium Unit and (d) mechanic's and materialman's liens which by law may be prior to the Association's

lien. The Association's lien shall attach from the date of recording of this instrument and shall be considered perfected without the necessity of recording a notice of default and claim of lien or as disclosed on such lienor's deed of trust or other document of record noting a change in such lienor's address. Nevertheless, the Association shall, as a condition to enforcement of the Association's lien, record a notice of default and claim of lien which shall be executed by an officer or director of the Association and which shall contain substantially the following information: (i) the legal description of the Condominium Unit against which the lien is claimed; (ii) the names of the defaulting Owners as indicated by the Association's records; (iii) the total unpaid amount together with interest thereon and the costs of collection as of the date of such notice; (iv) a statement that the notice of default and claim of lien is made by the Association pursuant to the Declaration, and (v) a statement that a lien is claimed and will be foreclosed against such Condominium Unit in an amount equal to the amount stated as then due and any additional amounts thereafter becoming due. The Association shall send a copy of such notice of default and claim of lien to the Owners and First Lienor of the Condominium Unit against which such lien is claimed at their addresses last known to the Association within 10 days after the recording of such notice of default and claim of lien or as disclosed on such lienor's deed of trust or other document of record noting a change in such lienor's address. The Association's lien may be foreclosed in the manner provided by Colorado for the foreclosure of mortgages encumbering real property. At its option, the Association may recover any amounts claimed to be due in a notice of default and claim of lien by an action for a money judgment. In any such foreclosure or action, the Owners of the Condominium Unit subject to such foreclosure or action shall be required to pay the costs and expenses of such proceedings including, without limitation, reasonable attorney's fees. Notwithstanding anything to the contrary contained herein, the foreclosure of the lien for assessments as set forth herein, shall have the effect of giving the Association a priority claim for monetary compensation to the extent of the priority of the lien claim over that of the First Lienor, but shall not extinguish or foreclose out the lien or lien position of the First Lienor. The Association shall be entitled to purchase the Condominium Unit at any foreclosure sale, and to acquire, hold, lease, mortgage or convey the same, subject to the lien of the First Lienor. In any such foreclosure or action, the Court may appoint a receiver to collect all sums alleged to be due from the Owners prior to or during the pendency of such foreclosure or actions. The Court may order the receiver so appointed to pay any sums held by such receiver to the Association during the pendency of such foreclosure or action to the extent of the unpaid annual and special assessments and charges.

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9.08: Statement of Unpaid Assessments and Charges. The Association shall furnish to an Owner of a Condominium Unit, a designee of such Owner, a holder of an indebtedness secured by a deed of trust, mortgage or other security document encumbering a Condominium Unit or a

designee of such holder, upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt requested to the Association's registered agent, a statement setting forth the amount of the unpaid annual and special assessments and charges, if any, with respect to such Condominium Unit. Such statement shall be furnished within 14 days after receipt of the request and is binding upon the Association, the Executive Board and every Owner. If no statement is furnished to the requesting party delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the requesting party within such 14 day period, then the Association shall have no right to assert a priority lien upon the Condominium Unit for unpaid annual and special assessments and charges which were due as of the date of the request.

9.09: Surplus Funds. Upon the determination by the Executive Board that surplus funds of the Association remain after payment or provision for Common Expenses and any prepayment of provision for reserves, the Executive Board may decide either to distribute such surplus funds to the Owners in accordance with their respective Sharing Ratios or to credit such surplus funds to the Owners in accordance with their respective Sharing Ratios against their respective liabilities for future Common Expenses.

ARTICLE 10

APPOINTMENT OF ATTORNEY-IN-FACT

Each Owner, on such Owner's behalf and on behalf of such Owner's heirs, devisees, personal representatives, successors and assigns, by the acceptance of the conveyance vesting in such Owner an interest in a Condominium Unit does irrevocably constitute and appoint the Association with full power of substitution as such Owner's true and lawful attorney in such Owner's name, place and stead to deal with such interest upon damage to or destruction, obsolescence, or condemnation of such Owner's Condominium Unit or Residence with full power, right and authorization to execute, acknowledge and deliver any contract, deed, proof of loss, release or other instrument affecting the interest of such Owner, and to take any other action which the Association may consider necessary or advisable to give effect to the provisions of Articles 11, 12 and 13 hereof. 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 or condemnation claim shall be final and binding on all Owners.

ARTICLE 11

DAMAGE OR DESTRUCTION

11.01: Damage or Destruction to Common Elements Improvements. In the event of any damage or destruction to any improvements included within the Common Elements which are not a part of the Building by fire or other casualty, the Association shall promptly cause such improvements to be repaired and restored, utilizing available insurance proceeds therefor, and if such improvements must be substantially rebuilt, the design of such improvements shall be substantially similar to the original design of such improvements. If the proceeds of insurance are insufficient to pay all costs of repairing and restoring such improvements, the difference between the insurance proceeds and such costs shall be a Common Expense.

11.02: Less Than Catastrophic Damage to the Building. Any damage to the Building which the Association reasonably estimates will involve costs of repair or restoration in excess of 75 percent of the insured value of the Building as shown on the schedule of insured values attached to the policy of property damage insurance described in Section 8.03(a)(i) hereof shall be referred to in this Article 11 as "catastrophic". In case of any damage to the Building by fire or other casualty which is less than catastrophic, the Association shall promptly cause the Building to be repaired and restored, utilizing available insurance proceeds therefor, and, if the Building must be substantially rebuilt, the design of the Building shall be substantially similar to the original design of the Building. If the proceeds of insurance are insufficient to pay all costs of repairing and restoring the Building, the difference between the insurance proceeds and such costs shall be a Common Expense.

11.03: Catastrophic Damage to or Destruction of the Building. In case of any catastrophic damage to or destruction of the Building by fire or other casualty, the Association shall not take any action to repair or restore the Building for a period of one month after the occurrence of such fire or other casualty except for such actions as may be required to protect the safety of Owners and Guests. If the Association receives written directions from all Owners and First Lienors during such one month period directing the Association not to rebuild the Building, the Association shall cause the Building to be razed and the land which constitutes the Property to be graded to a reasonably attractive condition and the Association shall sell the Property in accordance with the provisions of Section 11.04 hereof. If the Association does not receive such written directions from all Owners and First Lienors during such one month period, the Association shall promptly cause such Building to be repaired and restored in accordance with the provisions of Section 11.02 hereof.

11.04: Sale of Property. If the Association is required to sell

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the land which constitutes the Property pursuant to the provision of Section 11.03 hereof, the Association (as attorney-in-fact for the Owners) shall execute and record in the real estate records of Eagle County, Colorado, a notice of such facts, and thereafter shall sell the Property free and clear of the provisions of the Declaration. In the event of such sale, the proceeds of insurance and the proceeds of such sale, to the extent paid over to the Association, shall be applied first to the payment of expenses of the Association incurred to make safe and raze the Building, to grade such land and to conduce such sale. The net amount of such proceeds shall then be apportioned by the Association among the Owners based upon the relative insured values of the Condominium Units as determined from the schedule of insured values attached to the policy of property damage insurance described in Section 8.03(a)(i) hereof; or, if such policy does not contain such insured values, such proceeds shall be apportioned among the Owners in accordance with their Sharing Ratios. The net amount of such proceeds so apportioned shall be held by the Association on account for the Owners in a separate account for each Condominium Unit to be applied (without contribution from one account to another) by the Association for the following purposes in the order indicated: (i) for payment of taxes and special assessment liens in favor of any assessing entity; (ii) for payment of the balance of the indebtedness secured by the lien of a First Lienor; (iii) for payment of unpaid assessments, charges and other amounts due the Association; (iv) for payment of junior liens and encumbrances in the order of and to the extent of their priority and (v) the balance remaining, if any, shall be paid to the Owners.

11.05: First Lienors. Promptly after the occurrence of any fire or other casualty which causes damage to the Building or any other improvements included within the Common Elements which, in either case, the Association estimates will cost \$10,000 or more to repair, the Association shall deliver written notice thereof to all First Lienors. The delivery of such written notice shall not be construed as imposing any liability whatever on any First Lienor to pay all or any part of the costs of repair or restoration. Further, the provisions of Section 11.04 hereof shall not be construed as limiting in any way the right of a First Lienor (in case the proceeds allocated under Section 11.04 shall be insufficient to pay the indebtedness held by such First Lienor) to assert and enforce the personal liability for such deficiency of the person or persons responsible for payment of such indebtedness.

ARTICLE 12

RESTORATION AND TERMINATION OF SAVOY VILLAS CONDOMINIUMS

12.01: Restoration. If at any time the Owners entitled to vote at least 80 percent of the votes of the Association and all First Lienors shall agree that all Condominium Units have become obsolete and shall approve a plan for their renovation or restoration, the Association (as attorney-in-fact for the Owners) shall promptly cause

such renovation or restoration to be made according to such plan. All Owners shall be bound by the terms of such plan and the costs of the work shall be a Common Expense.

12.02: Termination. If at any time an agreement to terminate Savoy Villas Condominiums is obtained from Owners entitled to vote at least 80 percent of the votes of the Association and all First Lienors in accordance with the provisions of Section 218 of the Act, the Association (as attorney-in-fact for the Owners) shall promptly undertake the action required of the Association under the provisions of Section 218 of the Act.

ARTICLE 13

CONDEMNATION

13.01: Entire Taking. Subject to the terms of any first deed of trust, if the entire Property shall be taken under any statute, by right of eminent domain, or by purchase in lieu thereof, or if any part of the Property shall be so taken and the part remaining shall not permit the continuance of any of the uses of the Property prior to such taking, the Association (as attorney-in-fact for the Owners) shall collect the award made in such taking and shall sell the part of the Property remaining after the taking, if any, free and clear of the provisions of this Declaration which shall wholly terminate and expire upon the recording of a notice by the Association setting forth all of such facts. The award and the proceeds of such sale, if any, shall be collected, apportioned and applied by the Association in the manner provided in Section 11.04 hereof.

13.02: Partial Taking. Subject to the terms of any First Lienor, if a taking occurs other than a taking specified in Section 13.01 hereof and within one month after the date of such taking the Owners entitled to vote at least 80 percent of the votes of the Association and all First Lienors agree to restore the portion of the Property not so taken, then the Association (as attorney-in-fact for the Owners) shall collect the award made in such taking and shall promptly cause the portion of the Property not so taken to be restored as nearly as possible to its conditions prior to the taking, applying such award to that purpose. In the event of such restoration, the difference between the award made in such taking and the costs of such restoration shall be a Common Expense. In the event of such restoration any part of the award not required for such restoration shall be apportioned among the Owners on the same basis as insurance proceeds and sales proceeds are apportioned among the Owners pursuant to Section 11.04 hereof. In the event of a partial taking and in further event such restoration is not required as set forth in the first sentence of this Section, the Association (as attorney-in-fact for the Owners) shall collect the award made and apply such award in the same manner as net insurance and sales proceeds are distributed pursuant to Section 11.04 hereof. In the event

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of a partial taking of any Condominium Unit, the Sharing Ratios of all Condominium Units shall be adjusted by the Association on any reasonable basis and in accordance with the provisions of Section 107 of the Act.

ARTICLE 14

MORTGAGEE PROTECTION

14.01: Introduction. This Article establishes certain standards and covenants which are for the benefit of the holders, insurers and guarantors of certain Security Interests. This Article is supplemental to, not a substitution for, any other provisions of the Documents, but in the case of conflict, this Article shall control.

14.02: Percentage of Eligible Mortgagees. Wherever in this Declaration the approval or consent of a specified percentage of Eligible Mortgagees is required, it shall mean the approval or consent of Eligible Mortgagees holding Security Interests in Units which in the aggregate have allocated to them that specified percentage of votes as compared to the total votes allocated to all Units in the Association then subject to Security Interests held by all Eligible Mortgagees.

14.03: Notice of Actions. The Association shall give prompt written notice to each Eligible Mortgagee and Eligible Insurer of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Common Interest Community or any Unit in which there is a first Security Interest held, insured or guaranteed by that Eligible Mortgagee or Eligible Insurer, as applicable;

(b) Any delinquency in the payment of Common Expense assessments owed by a Unit Owner which remains uncured for a period of one hundred and twenty (120) days and whose Unit is subject to a first Security Interest held, insured or guaranteed by that Eligible Mortgagee or Eligible Insurer, as applicable;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgagees as specified in Section 14.02 of the Declaration; and

(e) Any judgment rendered against the Association.

14.04: Consent and Notice Required.

(a) Document Changes. Notwithstanding any requirement permitted by this Declaration or the Act, no amendment of any material provision of the Documents by the Association or Unit Owners described in this

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Section may be effective without notice to all Eligible Mortgagees and Eligible Insurers, as required by Section 14.03 above, without the vote of at least 67 percent of the Unit Owners (or any greater Unit Owner vote required in this Declaration or the Act) and without approval by at least 51 percent of the Eligible Mortgagees. The foregoing approval requirements do not apply to amendments effected by the exercise of any Development Right. An amendment effecting a change to any of the following would be considered material:

- (i) Voting rights;
- (ii) Assessments, assessment liens or priority of assessment liens;
- (iii) Reserves for maintenance, repair and replacement of Common Elements;
- (iv) Responsibility for maintenance and repairs;
- (v) Reallocation of interests in the Common Elements or Limited Common Elements, except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and only the Eligible Mortgagees holding Security Interests in those Units need approve the action;
- (vi) Redefinitions of boundaries of Units, except that when boundaries of only adjoining Units are involved, then only those Unit Owners and the Eligible Mortgagees holding Security Interests in the Unit or Units need approve the action;
- (vii) Convertability of Units into Common Elements or Common Elements into Units;
- (viii) Expansion or contraction of the Common Interest Community, or the addition, annexation or withdrawal of property to or from the Common Interest Community;
- (ix) Insurance or fidelity bonds;
- (x) Imposition of any restrictions on Unit Owners' right to sell or transfer their Units;
- (xi) Restoration or repair of the project after hazard damage or partial condemnation in a manner other than that specified in the Documents.
- (xii) Termination of the Common Interest Community after occurrence of substantial destruction or condemnation; and

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(xiii) Any provision that expressly benefits mortgage holders, insurers or guarantors

(b) Actions. Notwithstanding any lower requirement permitted by this Declaration or the Act, the Association may not take any of the following actions, other than rights reserved to the Declarant as Special Declarant Rights, without notice to all Eligible Mortgagees and Eligible Insurers, as required by Section 14.03 above, and approval of at least 51 percent (or the indicated percentage, if higher) of the Eligible Mortgagees:

(i) Convey or encumber the Common Elements or any portion of the Common Elements, for which a 51 percent Eligible Mortgagee approval is required. (The granting of easements for utilities or for other purposes consistent with the intended use of the Common Elements by the Common Interest Community will not be deemed a transfer within the meaning of this clause); and

(ii) The termination of the Common Interest Community for reasons other than substantial destruction or condemnation, for which 67 percent of the Votes or Eligible Mortgagees is required.

(iii) The alteration of any partition or creation of any aperture between adjoining Units (when Unit boundaries are not otherwise being affected), for which only the owners of Units affected and Eligible Mortgagees of those Units need approve the action;

(iv) The granting of any easements, leases, licenses or concessions through or over the Common Elements (excluding, however, any utility easements serving or to serve the Common Interest Community and also excluding any leases, licenses or concessions lasting for no more than one year).

(v) The restoration or repair of the Property after hazard damage or a partial condemnation in a manner other than specified in the Documents.

(vi) The merger of the Common Interest Community with any other common interest community.

(vii) The assignment of the future income of the Association, including its right to receive Common Expense Assessments.

(viii) Any action taken not to repair or replace the Property in the event of substantial destruction of any part of a Unit or the Common Elements.

(c) The failure of an Eligible Mortgagee or Insurer to respond within 30 days to any written request for approval of an addition or

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amendment to the Document wherever Eligible Mortgagee or Insurer approval is required, when such request is delivered by certified or registered mail, return receipt requested, shall constitute an implied approval of the addition or amendment.

14.05: Inspection of Books. The Association must maintain current copies of the Declaration, Bylaws, Rules, books, records and financial statements. The Association shall permit any Eligible Mortgagee or Eligible Insurer, or other first mortgagee of Units, to inspect the books and records of the Association during normal business hours.

14.06: Financial Statements. The Association shall provide any Eligible Mortgagee or Eligible Insurer who submits a written request with a copy of an annual financial statement. It shall be provided within 90 days following the end of each fiscal year of the Association.

14.07: Enforcement. The provisions of this Article are for the benefit of Eligible Mortgagees and Eligible Insurers and their successors and may be enforced by any of them by any available means, at law or in equity.

14.08: Attendance at Meetings. Any representative of an Eligible Mortgagee or Eligible Insurer may attend and address any meeting which a Unit Owner may attend.

ARTICLE 15

MISCELLANEOUS PROVISIONS

15.01: Enforcement. The Declaration shall be enforceable by the Association; provided, however, if the Association shall fail to undertake any action to enforce the Declaration within 30 days after the Association's receipt of a written request from an Owner to enforce the Declaration, such Owner shall be entitled to enforce the Declaration. In enforcing the Declaration, the Association or an Owner entitled to enforce the Declaration in accordance with the provisions of the preceding sentence (as the case may be), shall be entitled to utilize any of the remedies set forth in this Declaration or shall be entitled to any other remedy at law or in equity including, without limitation, an action seeking a prohibitive or mandatory injunction or damages or both. In any action for the enforcement of the Declaration, the party or parties against which or whom enforcement is sought shall pay the reasonable attorneys' fees and costs (including, without limitation, the reasonable attorneys' fees and costs of any appeal) incurred by the Association in an amount determined by the Court if the Association is the prevailing party in such action. The issuance of a building permit or certificate of occupancy which may be in contravention of the Declaration shall not prevent enforcement of the Declaration. All costs incurred by the Association in the enforcement of the Declaration shall

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be a Common Expense.

15.02: Arbitration. In the event a dispute of any kind or nature arises under this Condominium Declaration or matters related to this Condominium Declaration, the parties shall negotiate in good faith in an effort to resolve the dispute. If the dispute is not resolved following good faith negotiations, the parties shall select a mutually agreeable arbitrator and submit the dispute to such arbitrator for binding arbitration in Vail, Colorado within forty-five (45) days under the Commercial Arbitration Rules of the American Arbitration Association. In the event the parties are unable to agree upon the arbitrator, the arbitrator shall be appointed in accordance with the rules and procedures of the American Arbitration Association then in effect. Arbitration of any dispute under this Condominium Declaration shall proceed even though there may be related disputes involving third parties which cannot be arbitrated. The arbitration award may be enforced in any court of competent jurisdiction, with the cost of any arbitration proceedings to be paid by the non-prevailing party, as determined by the arbitrator, who shall also award reasonable attorney's fees to the prevailing party.

15.03: Duration. The Declaration shall continue and remain in full force and effect, as the same may be amended from time to time in accordance with the provisions of Section 15.04 hereof, until January 1, 2113. Every 10 years after January 1, 2113, the Declaration shall be automatically renewed for a period of 10 years unless the Declaration is terminated in accordance with the provisions of this Section. The Declaration may be terminated at any time by the recording of an instrument directing termination pursuant to Section 12.02 above.

15.04: Amendment. Declarant and the Association shall be entitled to amend the Declaration in those circumstances set forth in Section 217 of the Act. Except for the foregoing amendments and except for amendments specified in Section 217(4) of the Act, the Declaration may be amended or repealed only by the recording of a written instrument or instruments specifying the amendment or the repeal signed by the Owners who or which are entitled to vote at least 75 percent of the total votes of the Association and seventy-five percent of First Lienors. Amendments specified in Section 217(4) of the Act and to Section 7.01(b) of the Declaration shall require the unanimous consent of all Owners and all First Lienors.

15.05: Covenants Running with the Land. Each provision of the Declaration, and any agreement, promise, covenant and undertaking to comply with each provision of the Declaration shall be deemed a covenant running with the land as a burden with and upon the title to each parcel of real property within Savoy Villas Condominiums for the benefit of any other real property within the Savoy Villas Condominiums.

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15.06: Limited Liability. A director or an officer of the Association shall not be liable for actions taken or omissions made in the performance of his or her duties except for wanton and willful acts and except for acts specified in Section 7-24-111 of Colorado Revised Statutes. Neither Declarant nor any officer, director, agent or employee of Declarant shall be liable to any party for any action or for any failure to act with respect to any matter arising in connection with this Declaration if the action taken or failure to act was in good faith and without malice.

15.07: Successors and Assigns. Except as otherwise provided herein, the Declaration shall be binding upon and shall inure to the benefit of Declarant and each Owner and their respective heirs, devisees, personal representatives, successors and assigns. Declarant and each Owner shall be fully discharged and relieved of liability with respect to the obligations of such party under this Declaration upon ceasing to own an interest in a Condominium Unit and upon the payment of all sums and the performance of all other obligations of such party under this Declaration up to the time such party ceased to own an interest in a Condominium Unit.

15.08: Transfer by Declarant. Any and all rights, powers or reservations of Declarant herein contained may be transferred by Declarant to any person or entity who or which will assume any or all of the duties of Declarant related to the rights, powers or reservations assigned. Upon the recording of a document in the real property records of Eagle County, Colorado executed by Declarant and the transferee by which Declarant transfers any of such rights, powers or reservations and the assignee assumes all of the duties of Declarant related to the rights, powers or reservations assigned, the transferee shall have the same rights and powers and be subject to the same obligations and duties with respect to the rights, powers or reservations assigned as are given to and assumed by the Declarant herein and Declarant shall be relieved from all prospective liabilities, obligations and duties hereunder which are assumed by the assignee subject, however, to the provisions of Section 304 of the Act. The provisions of Section 304 of the Act shall apply to any transfer of the rights, powers or reservations of Declarant herein upon the transfer of title to any Condominium Unit owned by Declarant or any portion of the Property pursuant to the foreclosure of any deed of trust, mortgage or other security document encumbering any Condominium Unit owned by Declarant or encumbering any portion of the Property as of the date of recording of this instrument, or any extensions, renewals or modifications thereof, or pursuant to any procedure in lieu of such foreclosure. Nothing contained herein shall be deemed to release the Declarant from any contractual obligation which was entered into with a Unit Owner separate and apart from this Declaration.

15.09: Notices to Owners and Association. Each Owner shall register such Owner's mailing address and telephone number with the

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Association, and except for statements of assessments, notices of Association meetings, other routing notices and notices which may be sent in another manner in accordance with the provisions of the Declaration, all notices or demands intended to be served upon an Owner shall be sent by either registered or certified mail, or by overnight courier service, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received. If an Owner fails to register such Owner's mailing address with the Association, such Owner's mailing address shall be deemed to be the address of such Owner's Condominium Unit. All notices, demands or other notices intended to be served upon the Association shall be sent certified mail, postage prepaid, to the address of the Association as designated in the Bylaws.

15.10: Severability. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceability of any other provision or any valid and enforceable part of a provision of this Declaration.

15.11: Captions. The captions and headings in this Declaration are for convenience only and shall not be considered in construing any provisions of this Declaration.

15.12: Construction. When necessary for proper construction, the masculine of any word used in this Declaration shall include the feminine or neutered gender, and the singular the plural and vice versa.

15.13: No Waiver: Failure to enforce any provisions of this Declaration shall not operate as a waiver of such provision or of any other provision of this Declaration.

15.14: Governing Law. This Declaration shall be governed by and construed under Colorado law.

15.15: Colorado Common Interest Ownership Act. The provisions of the Colorado Common Interest Ownership Act may not be waived or altered by agreement of the Unit Owners unless expressly permitted by this Declaration.

15.16 Indemnification. The Association shall indemnify every officer and director against any and all expenses, including counsel fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit, or other proceedings (including settlement of any suit or proceeding, if approved by the then Executive Board) to which he or she may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability

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EXHIBIT A

(Attached to and forming a part of Condominium Declaration for Savoy Villas Condominiums dated August 16, 1994)

LEGAL DESCRIPTION OF PROPERTY

The Real Property situated in the Town of Vail, Eagle County, Colorado, described as follows:

Simba Run, according to the map thereof recorded in Book 312 at Page 763 in the office of the Eagle County, Colorado, Clerk and Recorder, excepting those parts shown on Condominium Map for Simba Run Condominium and First Supplemental Map for Simba Run Condominium recorded in the office of the Eagle County, Colorado, Clerk and Recorder, containing 1.56 acres, more or less.

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EXHIBIT B

(Attached to and forming a part of Condominium Declaration for Savoy Villas Condominiums dated August 16, 1994)

MATTERS TO WHICH TITLE TO THE PROPERTY IS SUBJECT

1. Taxes and assessments not yet due or payable and special assessments not yet certified to the Treasurer's office.
2. Right of proprietor of a vein or lode to extract and remove his ore therefrom should the same be found to penetrate or intersect the premises as reserved in United States Patent recorded August 16, 1909, in Book 48 at Page 542 and in United States Patent recorded December 29, 1920, in Book 93 at Page 42.
3. Right of way for ditches or canals constructed by the authority of the United States as reserved in United States Patent recorded August 16, 1909, in Book 48, at Page 542 and recorded December 29, 1920, in Book 93 at Page 42.
4. Restrictive covenants, which do not contain a forfeiture or reverter clause, but omitting restrictions, if any, based on race, color, religion, or national origin, as contained in Instrument recorded July 25, 1969, in Book 215 at Page 649 and as amended in Instrument recorded December 02, 1970, in Book 219 at Page 235 and as amended in Instrument recorded June 08, 1973, in Book 229 at Page 457.
5. Easements, reservations, and restrictions as shown or reserved on the recorded Plat of a resubdivision of Lion's Ridge Subdivision Block C, and Savoy Villas.
6. Easements, reservations and restrictions as shown or reserved on the recorded Condominium Map of Savoy Villas Condominium and Supplement thereto.
7. Easement Agreement contained in Instrument recorded July 19, 1972 in Book 224 at Page 824.
8. Terms, conditions and provisions of Encroachment Easement Agreement recorded January 30, 1980 in Book 298 at Page 22.
9. Underground Right-of-Way Easement as granted to Holy Cross Electric Association, Inc. in Instrument recorded October 16, 1981 in Book 330 at Page 657.
10. Underground Right-of-Way Easement as granted to Holy Cross Electric Association, Inc. in Instrument recorded October 16, 1981 in Book 330 at Page 657.

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EXHIBIT B

EXCEPTIONS TO TITLE
(Page 2)

11. Terms, conditions and provisions of Grant of Easement and Maintenance Agreement recorded February 07, 1983 in Book 353 at Page 212 and rerecorded February 22, 1983 in Book 353 at Page 941.
12. Those provisions, covenants and conditions, easements and restrictions, which are a burden to the Condominium Unit described in Schedule A, as contained in Instrument recorded January 18, 1983, in Book 352 at Page 154 and as Supplemented in Instrument recorded November 7, 1983 in Book 372 at Page 460.
13. Terms, conditions and provisions of Declaration Vacating an Easement, granting and creating a perpetual easement, a non-exclusive Easement and a Temporary Construction Easement recorded December 27, 1990 in Book 544 at Page 676.

Easement for utilities necessary for the Project.

NOTE: All recording references are to the real property records in the Office of the Clerk and Recorder of Eagle County, Colorado.

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FIRST SUPPLEMENT TO CONDOMINIUM DECLARATION
FOR
SAVOY VILLAS CONDOMINIUM

RECITALS

Simba Land Corporation, a Colorado Corporation, the "Declarant" in the Condominium Declaration for Savoy Villas Condominiums recorded August 23, 1994, in Book 648 at page 401 of the records of the Clerk and Recorder of the County of Eagle, State of Colorado (the "Declaration") desires to create Units, Common Elements, and Limited Common Elements in the locations shown as "Development Rights Reserved in the Area" on the Plat recorded August 23, 1994 in Book 648 at Page 402, as provided for in Article 3.10(a)(i) of the Declaration.

SUPPLEMENT TO DECLARATION

1.01 Declarant hereby creates the Units, Common Elements, and Limited Common Elements as set forth in the Condominium Map entitled First Amendment to Savoy Villas Condominiums recorded June 13, 1995, in Book 669 at Page 284.

2.01 Concurrently herewith, Declarant files for record in Eagle County, State of Colorado, the Condominium Map entitled First Amendment to Savoy Villas Condominiums.

3.01 Pursuant to terms of Articles 3.10(a), 4.02 and 4.03 of the Declaration, the following sections set forth the Assignment of Allocated interests for all Units in the Common Interest Community, the liability for the Common Expenses and the number of votes per Unit.

(a) The Total undivided interests in the Common Elements is hereby allocated to each Condominium Unit in the following percentages:

Condominium Unit 1-A	13.28
Condominium Unit 1-B	13.28
Condominium Unit 1-C	11.72
Condominium Unit 1-D	11.72
Condominium Unit 2-A	13.28
Condominium Unit 2-B	13.28
Condominium Unit 2-C	11.72
Condominium Unit 2-D	11.72

(b) The liability for annual and special assessments of the Common Expenses is hereby allocated to each Condominium Unit in the following percentages:

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Condominium Unit 1-A	13.28
Condominium Unit 1-B	13.28
Condominium Unit 1-C	11.72
Condominium Unit 1-D	11.72
Condominium Unit 2-A	13.28
Condominium Unit 2-B	13.28
Condominium Unit 2-C	11.72
Condominium Unit 2-D	11.72

(c) The votes are hereby allocated to each Condominium Unit as follows:

Condominium Unit 1-A	1 Vote
Condominium Unit 1-B	1 Vote
Condominium Unit 1-C	1 Vote
Condominium Unit 1-D	1 Vote
Condominium Unit 2-A	1 Vote
Condominium Unit 2-B	1 Vote
Condominium Unit 2-C	1 Vote
Condominium Unit 2-D	1 Vote

IN WITNESS WHEREOF, the undersigned has duly executed the First Supplement to Condominium Declaration for Savoy Villas Condominium this 9th day of June, 1995.

SIMBA LAND CORPORATION,
a Colorado Corporation

By: Ross Jansen
Ross Jansen, Vice-President

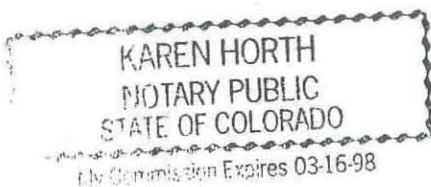
STATE OF COLORADO)
) SS.
COUNTY OF EAGLE)

The foregoing was acknowledged before me this 9th day of June, 1995 by Ross Jansen as Vice-President of Simba Land Corporation, a Colorado Corporation.

Witness my hand and official seal.

My Commission Expires on:

Karen Horth
Notary Public



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The foregoing instrument was acknowledged before me this 23rd day of April, 1998, by Chris J. Klein, as Vice President of Woodstone Homes, Inc., a Colorado corporation, as Managing Member of Savoy Villas, LLC, a Colorado limited liability company.

WITNESS my hand and official seal.

Yvette Olson
Notary Public

MY COMMISSION EXPIRES
07/15/2000

My commission expires: _____



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4 of 6 R 31.00 D 0.00 N 0.00 Eagle CO

Building 4 + 6 of the Third
Amendment to Savoy Villas Condominiums



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5 of 6 R 31.00 D 0.00 N 0.00 Eagle CO

Revised Allocation of Interests/
Sharing Ratios

Unit

1-A	.053
1-B	.053
1-C	.050
1-D	.050
2-A	.053
2-B	.053
2-C	.050
2-D	.050
3-A	.053
3-B	.053
3-C	.050
3-D	.050
4-A	.053
4-B	.053
4-C	.050
4-D	.050
6-A	.058
6-B	.058
6-C	.058



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6 of 6 R 31.00 D 0.00 N 0.00 Eagle CO

VILLAS CONDOMINIUM (this "Supplement") is made this 9th day of December, 1997, by SAVOY VILLAS, LLC, a Colorado limited liability company ("Declarant").

RECITALS

A. The Condominium Declaration for Savoy Villas Condominium dated August 16, 1994 (the "Original Declaration"), was recorded in the real property records of Eagle County, Colorado, on August 23, 1994 in Book 648 at page 401. The Original Declaration was amended by First Supplement to Condominium Declaration (the Original Declaration, as so amended, being the "Amended Declaration") and recorded in the real property records of Eagle County, Colorado, on June 13, 1995, in Book 669 at page 285. Capitalized terms not otherwise defined herein shall be as defined in the Amended Declaration.

B. The Units on the Property are currently described in that certain Condominium Map recorded August 23, 1994 in Book 648 at page 402, as amended by that certain First Amendment to Savoy Villas Condominiums recorded June 13, 1995, in Book 669 at page 284. Concurrently with the recordation of this Supplement, Declarant is recording a Second Amendment to Savoy Villas Condominiums (the "Second Map Amendment"), which describes Units 3-A, 3-B, 3-C and 3-D and Units 5-A, 5-B, 5-C and 5-D (collectively, the "Additional Units").

C. Section 3.10 of the Amended Declaration gives the Declarant the right to create additional Units in the locations shown as "Development Rights Reserved in this Area" on the Plat and the Plans. The property shown on the Second Map Amendment, including the Additional Units, is currently included in the property described as "Development Rights Reserved in this Area."

D. Declarant is the owner of the real property more particularly described on the attached Exhibit A (the "Additional Property").

E. Declarant desires to create the Additional Units on the Additional Property by submitting the Improvements located on the Additional Property to the Amended Declaration.

SUPPLEMENT TO AMENDED DECLARATION

NOW THEREFORE, Declarant does hereby declare and publish as follows:

1. Supplement to Amended Declaration. Declarant hereby creates the additional Units, Common Elements and Limited Common Elements as set forth on the Second Map Amendment recorded December __, 1997, in Book _____ at page _____.


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Unit) set forth on the attached Exhibit B.

3. Votes. Each of the Condominium Units included in the Amended Declaration, as amended by this Supplement, shall have one vote.

EXECUTED as of the date first above written.

SAVOY VILLAS, LLC,
a Colorado limited liability company

By: WOODSTONE HOMES, INC.,
a Colorado corporation,
Managing Member

By: [Signature]
Its: Vice President

STATE OF COLORADO)
)
COUNTY OF Eagle)

The foregoing instrument was acknowledged before me this ___ day of November, 1997, by Chris Klein, as Vice President of Woodstone Homes, Inc., a Colorado corporation, as Managing Member of Savoy Villas, LLC, a Colorado limited liability company.

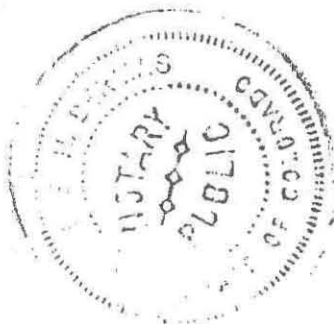
WITNESS my hand and official seal.

[Signature]
Notary Public

My commission expires: December 19, 1998

DAVID E. HABERMAS
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires Dec. 19, 1998




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the foregoing Second Supplement to CONDOMINIUM DECLARATION AND SUBORDINATION the property described therein to the rights and obligations created thereby. Notwithstanding such consent and subordination, all rights of the Declarant in and to such property shall remain encumbered by such deed of trust.

U.S. BANK ASSOCIATION (formerly known as COLORADO NATIONAL BANK)

By: [Signature]
Its: VICE PRESIDENT

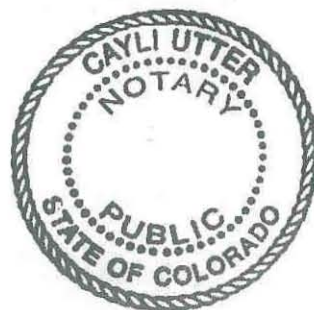
STATE OF COLORADO)

COUNTY OF Denver }

The foregoing instrument was acknowledged before me this 9th day of December, 1997, by Clare Cavanaugh, as Vice President of U.S. Bank Association, formerly known as Colorado National Bank, a national banking association.

WITNESS my hand and official seal.

[Signature]
Notary Public



My commission expires: 10-7-00



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IN BOOK 312 AT PAGE 763, COUNTY OF EAGLE, STATE OF COLORADO, EXCEPT THOSE PORTIONS NOW PLATTED AS SIMBA RUN CONDOMINIUMS BY CONDOMINIUM MAPS RECORDED JANUARY 18, 1983 IN BOOK 352 AT PAGE 155 AND SUPPLEMENT THERETO RECORDED OCTOBER 25, 1983 IN BOOK 371 AT PAGE 527, EXCEPTING THEREFROM CONDOMINIUM UNITS 1-A, 1-B, 1-C, 1-D, 2-A, 2-B, 2-C, AND 2-D, SAVOY VILLAS CONDOMINIUMS, ACCORDING TO THE CONDOMINIUM MAP RECORDED AUGUST 23, 1994, IN BOOK 648 AT PAGE 402, AND THE FIRST AMENDMENT TO SAVOY VILLAS CONDOMINIUM RECORDED JUNE 13, 1995 IN BOOK 669 AT PAGE 284, AND AS DEFINED AND DESCRIBED IN THE CONDOMINIUM DECLARATION RECORDED AUGUST 23, 1994, IN BOOK 648 AT PAGE 401, AND THE FIRST SUPPLEMENT TO CONDOMINIUM DECLARATION RECORDED JUNE 13, 1995, IN BOOK 669 AT PAGE 285, COUNTY OF EAGLE, STATE OF COLORADO.

INCLUDING ALL DEVELOPMENT RIGHTS DESCRIBED UNDER ARTICLE 3.10 OF THE CONDOMINIUM DECLARATION RECORDED AUGUST 23, 1994 IN BOOK 648 AT PAGE 401. ===



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Revised Allocation of Interests/
Sharing Ratios

Unit

1-A 8.853
1-B 8.853
1-C 7.813
1-D 7.813
2-A 8.853
2-B 8.853
2-C 7.813
2-D 7.813
3-A 8.853
3-B 8.853
3-C 7.813
3-D 7.813
5-A 0
5-B 0
5-C 0
5-D 0



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THIS THIRD SUPPLEMENT TO CONDOMINIUM DECLARATION FOR SAVOY VILLAS CONDOMINIUM (this "Supplement") is made this 23 day of April, 1998, by SAVOY VILLAS, LLC, a Colorado limited liability company ("Declarant").

RECITALS

A. The Condominium Declaration for Savoy Villas Condominium dated August 16, 1994 (the "Original Declaration"), was recorded in the real property records of Eagle County, Colorado, on August 23, 1994 in Book 648 at page 401. The Original Declaration was amended by First Supplement to Condominium Declaration (the "First Amendment") and recorded in the real property records of Eagle County, Colorado, on June 13, 1995, in Book 669 at page 285, and by Second Supplement to Condominium Declaration (the "Second Amendment"; the Original Declaration, as amended by the First Supplement and the Second Supplement, being the "Amended Declaration") and recorded in the real property records of Eagle County, Colorado, on December 11, 1997, in Book 746 at page 162. Capitalized terms not otherwise defined herein shall be as defined in the Amended Declaration.

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B. The Units on the Property are currently described in that certain Condominium Map recorded August 23, 1994 in Book 648 at page 402, as amended by that certain First Amendment to Savoy Villas Condominiums recorded June 13, 1995, in Book 669 at page 284, and that Second Amendment to Savoy Villas Condominiums recorded December 11, 1997 in Book 746 at page 162 (the "Second Map Amendment"). Concurrently with the recordation of this Supplement, Declarant is recording a Third Amendment to Savoy Villas Condominiums (the "Third Map Amendment"), which describes Units 4-A, 4-B, 4-C and 4-D and Units 6-A, 6-B and 6-C (collectively, the "Additional Units").

C. Section 3.10 of the Amended Declaration gives the Declarant the right to create additional Units in the locations shown as "Development Rights Reserved in this Area" on the Plat and the Plans. The property shown on the Third Map Amendment, including the Additional Units, is currently included in the property described as "Development Rights Reserved in this Area." Furthermore, the Amended Declaration gives the Declarant the right to withdraw property described on the Plat and the Plans.

D. Through an administrative oversight, the Second Map Amendment and the Second Supplement erroneously submitted the Units described therein as Units 5-A, 5-B, 5-C and 5-D (the "Building 5 Units") to the Amended Declaration, although the Allocated Interests were shown on the Second Supplement as "0". Declarant desires to correct that oversight by deleting the Building 5 Units from the Amended Declaration.

E. Declarant is the owner of the real property more particularly described on the attached Exhibit A (the "Additional Property").


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NOW THEREFORE, Declarant does hereby declare and publish as follows:

1. Deletion of Building 5 Units. Notwithstanding anything in the Second Supplement or the Second Amended Map to the contrary, the Building 5 Units and the related Common Elements and Limited Common Elements are hereby deleted from the Amended Declaration in their entirety.

2. Supplement to Amended Declaration. Declarant hereby creates the additional Units, Common Elements and Limited Common Elements as set forth on the Third Map Amendment recorded April __, 1998, in Book _____ at page _____.

3. Allocation of Interests/Sharing Ratios Each of the Condominium Units, as expanded and amended by this Supplement, shall have the Allocated Interests (i.e., the total undivided interests in the Common Elements allocated to each Condominium Unit) and Sharing Ratios (i.e., liability for annual and special assessments of the Common Expenses allocated to each Condominium Unit) set forth on the attached Exhibit B.

4. Votes. Each of the Condominium Units included in the Amended Declaration, as amended by this Supplement, shall have one vote.

EXECUTED as of the date first above written.

SAVOY VILLAS, LLC,
a Colorado limited liability company
By: WOODSTONE HOMES, INC.,
a Colorado corporation,
Managing Member

By: [Signature]
Its: Chief Resident

Clerk's Note:

This document is a poor copy and will not photograph well.
This is not the fault of this office.



Supplement to Condominium Declaration for Savoy Villas Condominiums hereby consents to the foregoing Second Supplement to Condominium Declaration and subordinates its interests in the property described therein to the rights and obligations created thereby. Notwithstanding such consent and subordination, all rights of the Declarant in and to such property shall remain encumbered by such deed of trust.

U.S. BANK ASSOCIATION (formerly known as COLORADO NATIONAL BANK)

By: [Signature]
Its: Vice-President

STATE OF COLORADO)
)
COUNTY OF EAGLE)

The foregoing instrument was acknowledged before me this 23rd day of April, 1998, by Valerie Heller, as Vice President of U.S. Bank Association, formerly known as Colorado National Bank, a national banking association.

WITNESS my hand and official seal.

[Signature]
Notary Public
MY COMMISSION EXPIRES
07/15/2000



My commission expires: _____

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2/16-

**FOURTH SUPPLEMENT TO CONDOMINIUM
DECLARATION FOR
SAVOY VILLAS CONDOMINIUMS**

THIS FOURTH SUPPLEMENT TO CONDOMINIUM DECLARATION FOR SAVOY VILLAS CONDOMINIUMS, (this "Supplement") is made this ____ day of September, 2002 by BWAB Incorporated, a Colorado corporation (the "Declarant").

RECITALS

A. The Condominium Declaration for Savoy Villas Condominiums dated August 16, 1994 (the "Original Declaration") was recorded on August 23, 1994, in Book 648 at Page 401 and the Condominium Map for Savoy Villas Condominiums was recorded on August 23, 1994 ("Original Map") in Book 648 at Page 402, both of the records of the Office of the Eagle County Clerk and Recorder.

A. The Original Declaration was amended by First Supplement to Condominium Declaration dated June 9, 1995 (the "First Supplemental Declaration") which was recorded on June 13, 1995 in Book 669 at Page 285 and the Original Map was amended by First Amendment to Savoy Villas Condominiums (the "First Supplemental Map") which was recorded on June 13, 1995 in Book 669 at Page 284, both of the records of the Office of the Eagle County Clerk and Recorder.

B. The Original Declaration, as amended, was amended by Second Supplement to Condominium Declaration dated December 9, 1997 (the "Second Supplemental Declaration") which was recorded on December 11, 1997 in Book 746 at Page 162 and the Original Map was amended by Second Amendment to Savoy Villas Condominiums (the "Second Supplemental Map") which was recorded on December 11, 1997 in Book 746 at Page 161, both of the records of the Office of the Eagle County Clerk and Recorder.

C. The Original Declaration, as amended, was amended by Third Supplement to Condominium Declaration dated April 23, 1998 (the "Third Supplemental Declaration") which was recorded on April 30, 1998 at Reception Number 654291 and the Original Map was amended by Third Amendment to Savoy Villas Condominiums (the "Third Supplemental Map") which was recorded on April 28, 1998 at Reception Number 654061, both of the records of the Office of the Eagle County Clerk and Recorder (the Original Declaration as amended by the First Supplemental Declaration, the Second Supplemental Declaration and the Third Supplemental Declaration is hereinafter referred to as the "Amended Declaration" and the Original Map as amended by the First Supplemental Map, the Second Supplemental Map and the Third Supplemental Map is hereinafter referred to as the "Amended Map").



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D. Declarant intends to file a fourth amendment to the Original Map (the "Fourth Supplemental Map") for the purpose of creating Units 5A, 5B, 5C and 5D and appurtenant Common Elements and Limited Common Elements.

E. Section 3.10 of the Amended Declaration gives the Declarant the right to create additional Units, Common Elements and Limited Common Elements in the locations shown as "Development Rights Reserved in this Area" on the Plat and Plans. The Unit, Common Elements and Limited Common Elements shown on the Fourth Supplemental Map are in the locations shown as "Development Rights Reserved in this Area" on the Original Map.

F. The rights of the Declarant to create additional Units, Common Elements and Limited Common Elements pursuant to Section 3.10 of the Declaration were conveyed to BWAB Incorporated pursuant to instrument recorded September ____, 2002 at Reception Number ____ of the records of the Office of the Eagle County Clerk and Recorder.

SUPPLEMENT TO AMENDED DECLARATION

1. Declarant hereby creates the Units, Common Elements and Limited Common Elements as set forth in the condominium map entitled Fourth Amendment to Condominium Map for Savoy Villas Condominiums recorded September ____, 2002 at Reception Number ____ of the Records of the Office of the Eagle County Clerk and Recorder.

2. The Allocation of Interests allocated to each Unit is amended as set forth in Exhibit A attached hereto and incorporated herein.

Executed as of the date first set forth above.

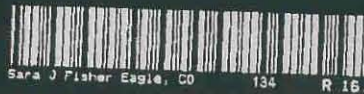
BWAB Incorporated

By: Stewart V.P.



**EXHIBIT A TO FOURTH SUPPLEMENT TO CONDOMINIUM
DECLARATION FOR SAVOY VILLAS CONDOMINIUMS**

UNIT	SQUARE FOOTAGE	% INTEREST IN COMMON ELEMENTS	USAGE
1A	1958	5.09%	RESIDENTIAL
1B	1964	5.11%	RESIDENTIAL
1C	1781	4.63%	RESIDENTIAL
1D	1779	4.47%	RESIDENTIAL
2A	1932	5.03%	RESIDENTIAL
2B	1948	5.07%	RESIDENTIAL
2C	1803	4.69%	RESIDENTIAL
2D	1806	4.70%	RESIDENTIAL
3A	1860	4.84%	RESIDENTIAL
3B	1858	4.83%	RESIDENTIAL
3C	1756	4.57%	RESIDENTIAL
3D	1754	4.56%	RESIDENTIAL
4A	1752	4.56%	RESIDENTIAL
4B	1752	4.56%	RESIDENTIAL
4C	1648	4.29%	RESIDENTIAL
4D	1648	4.29%	RESIDENTIAL
5A	1591	4.14%	RESIDENTIAL
5B	785	2.04%	RESIDENTIAL
5C	621	1.62%	RESIDENTIAL
5D	604	1.57%	RESIDENTIAL
6A	1953	5.08%	RESIDENTIAL
6B	1959	5.10%	RESIDENTIAL
6C	1986	5.17%	RESIDENTIAL
TOTAL	38438	100.00%	



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