

**LIMITED AMENDMENT TO
AMENDED AND RESTATED DECLARATION
FOR
THIRD CHERRY CREEK TOWNHOUSE CORP.
(originally known as Third Cherry Creek Townhouses)**

THIS LIMITED AMENDMENT TO THE AMENDED AND RESTATED DECLARATION is made on the date hereinafter set forth by the Third Cherry Creek Townhouse Corp., a Colorado nonprofit corporation (the "Association" or "Community").

RECITALS:

A. On August 27, 2009, the Association recorded the Amended and Restated Declaration for Third Cherry Creek Townhouse Corp. (originally known as Third Cherry Creek Townhouses) in the real property records of the City and County of Denver, Colorado at Reception No. 2009114186, and as may have been subsequently corrected or supplemented by additional recorded documents, and subjected the property therein described to its covenants, conditions, and restrictions ("Declaration");

B. The Owners within the Third Cherry Creek Townhouse Corp. desire to amend the Declaration to both maintain the character of the Community as predominantly owner-occupied, and to comply with secondary mortgage market requirements with regard to limits on the number of Units that may be occupied by other than Owners; and

C. Pursuant to Article 10, Section 10.3 of the Declaration, there are no Eligible Mortgage Holders entitled to vote on this amendment to the Declaration; and

D. Pursuant to Article 11, Section 11.5 of the Declaration, Owners holding at least fifty-one percent (51%) of the total votes in the Association have consented to the following amendment to the Declaration:

1. Article 7, Section 7.2, is hereby **deleted and replaced** in its entirety by the following provision:

Section 7.2 Leasing and Occupancy. In order to preserve the character of the Community as predominantly Owner-occupied, and to comply with the eligibility requirements for financing in the secondary mortgage market, the leasing of Units shall be governed by the restrictions imposed by this Section. Except as provided herein, the leasing of Units shall be prohibited. "Leasing," for the purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person other than the Owner; provided, however, for the purposes of this Declaration, leasing shall not include the occupancy of the Unit by the child, grandchild, sibling or parent of an Owner. For

purposes of this Declaration, occupancy by a roommate or roommates of an Owner who also occupies the Unit as such Owner's primary residence shall not constitute leasing under this Declaration.

7.2.1 General. Owners desiring to lease their Units may do so only if they have applied for and received from the Association either a "Leasing Permit" or a "Hardship Leasing Permit." Such a permit, upon its issuance, will allow an Owner to lease his or her Unit provided that such leasing is in strict accordance with the terms of the permit and this Section. The Association shall have the authority to establish conditions as to the duration and use of such permits consistent with this Section. All Leasing Permits and Hardship Leasing Permits shall be valid only as to specific Owners and Units and shall not be transferable between either Units or Owners; provided, however if a valid lease is in place at the date of transfer of the Unit, that lease may continue until the expiration of the lease term or for a maximum of one year, whichever is earlier.

7.2.2 Applicability. Those Owners who are leasing their Units upon the effective date of this amendment to the Declaration shall be entitled to a Leasing Permit after submitting a proper application to the Board providing all required information, and will be subject to all other requirements of this Section 7.2. However, upon conveyance or transfer of a Unit, any subsequent grantee of the Unit shall be subject to all provisions of this Section and Leasing Permits shall be issued only when available, and only in accordance with this Section 7.2. If the number of Units being leased upon the effective date of this amendment exceeds the allowable number of leased Units, no additional Units will be approved for leasing until the number of leased Units is reduced to below the allowable number as set forth below, unless there are Hardship Leasing Permits available pursuant to Sections 7.2.4 and 7.2.5.

7.2.3 Leasing Permits. An Owner's request for a Leasing Permit shall be approved if current, outstanding Leasing Permits have not been issued for more than the established maximum threshold of eighty three (83) Units in the Community (the "Threshold"). A Leasing Permit shall be automatically revoked upon the happening of any of the following events: (1) subject to the terms of subsection 7.2.1 above, the sale or transfer of the Unit to a person or entity other than the Owner (excluding sales or transfers to (a) an Owner's spouse, (b) a person cohabitating with the Owner, and (c) a corporation, partnership, company, or legal entity in which the Owner is a principal); (2) the failure of an Owner to lease his or her Unit within 180 days of the Leasing Permit having been issued; or (3) the failure of an Owner to have his or her Unit leased for any consecutive 180 day period thereafter. The Board may make an exception to the 180 day provision upon written application from the Owner at least 30 days prior to the expiration of the 180 day period that shows the Owner made reasonable efforts to rent the Unit, but has been unable to do so due to market conditions, or if the Owner demonstrates an abnormal or hardship reason for the vacancy. If current Leasing Permits have been issued for Units equal to or greater than the Threshold, no additional Leasing Permits shall be issued (except for Hardship Leasing Permits) until the number of total Units with valid Leasing Permits falls below the Threshold. Owners who have

been denied a Leasing Permit shall automatically be placed on a waiting list for a Leasing Permit and shall be issued the same if they so desire when the total Units with valid Leasing Permits falls below the Threshold. The issuance of a Hardship Leasing Permit to an Owner shall not cause the Owner to be removed from the waiting list for a Leasing Permit.

7.2.4 Hardship Leasing Permits. If the failure to lease will result in a hardship, the Owner may seek to lease on a hardship basis by applying to the Association for a Hardship Leasing Permit. The Association shall have the authority to issue or deny requests for Hardship Leasing Permits in its sole discretion after considering the following factors: (1) the nature, degree, and likely duration of the hardship, (2) the harm, if any, which will result to the Unit if the permit is approved, (3) the number of Hardship Leasing Permits which have been issued to other Owners, (4) the Owner's ability to cure the hardship, and (5) whether previous Hardship Leasing Permits have been issued to the Owner. A "hardship" as described herein shall only include the following situations: (1) an Owner must relocate his or her residence outside the greater Denver metropolitan area and cannot, within six months from the date that the Unit was placed on the market, sell the Unit except at a price below the current appraised market value, after having made reasonable efforts to do so; (2) where the Owner dies and the Unit is being administered by his or her estate and such administration cannot be concluded within 9 months from the date of death; (3) the Owner takes a leave of absence or temporarily relocates and will return to reside in the Unit within one year; and (4) where an Owner or Owner's family member residing in the Unit has a substantiated medical condition necessitating moving from the Unit. Hardship Leasing Permits shall be valid for a term not to exceed one year. At the request of the Board, Owners shall be required to provide written documentation in support of their hardship request. Such documentation may include proof that the property has been actively listed and marketed at its current fair market value, personal financial statements or records, letters from employers, death certificates, or whatever else the Board or its representative may reasonably deem necessary to make its decision. Owners may apply for additional Hardship Leasing Permits pursuant to the conditions stated below. Hardship Leasing Permits shall be automatically revoked if, during the term of the permit, the Owner is approved for and receives a Leasing Permit.

7.2.5 The Board's ability to approve hardship requests shall be limited to a total number of ten (10) hardship permits issued and active at any one time.

7.2.6 The Board may not extend the length of any hardship permit if other requests are pending at the time, but have not been approved because the Association has reached the maximum allowable limit. If applicable, the owner must be able to demonstrate that a conscientious effort has been made to sell the property during the time the property was required to be on the market. Applications for extension must be submitted no less than thirty (30) days before the expiration of the current permit. In granting approval for an extension request, the Board may assess an administrative fee in an amount to be established the Board from time to time.

7.2.7 In the case of a hardship permit granted under condition (1) or (2) defined above, the Unit must be placed on the market no later than 120 days prior to the expiration of the hardship permit. The Board may immediately revoke any hardship permit for failure to comply with this provision.

7.2.8 It shall not be considered a hardship that current market conditions would require an owner to sell his or her property at a loss.

7.2.9 Leasing Provisions. Leasing which is authorized, pursuant to permit, hereunder shall be governed by the following provisions:

7.2.9.1 General. Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and shall provide that leases or rental agreements are subject to all terms of the Governing Documents. There shall be no subleasing of Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than six months. Within 10 days after executing a lease agreement for the lease of a Unit, the Owner shall provide the Board with a copy of the lease and the name(s) and contact information of the lessee(s) and all other people occupying the Unit, vehicle descriptions, including license plate numbers type and number of pets, and any other information reasonably requested by the Association. The Owner may redact financial terms of the lease. The Owner must provide the lessee copies of the Declaration, Bylaws, and the Rules and Regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.

7.2.9.2 Compliance with the Governing Documents and Use of Common Elements. Each Owner covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Unit, agrees to the applicability of this covenant and incorporation of the following language into the lease.

(A) Compliance with Governing Documents. The lessee shall comply with all provisions of the Governing Documents adopted pursuant thereto and shall control the conduct of all other occupants and guests of the leased Unit in order to ensure such compliance. The Owner shall cause all occupants of his or her Unit to comply with the Governing Documents adopted pursuant thereto, and shall be responsible for all violations by such occupants, notwithstanding the fact that such occupants of the Unit are fully liable and may be sanctioned for any such violation. If the lessee, or a person living with the lessee, violates the Governing Documents for which a fine

is imposed, notice of the violation shall be given to the Owner and the lessee. The fine may be assessed against the Owner after both parties are provided notice and an opportunity for hearing. Unpaid fines shall constitute a lien against the Unit.

Any violation of the Governing Documents adopted pursuant thereto by the lessee, any occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with Colorado law. If the Association requests that the Owner evict the Owner's tenant based on the terms of this Declaration and the Owner fails to commence such action within 30 days of the date of the Association's notice, the Association may commence eviction proceedings. Upon failure by the Owner to comply with the Association's request to evict, the Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority to evict the lessee as attorney-in-fact on behalf of and for the benefit of the Owner for breaches resulting from the violation of the Governing Documents adopted pursuant thereto. If the Association evicts the lessee, any costs, including but not limited to reasonable attorney fees actually incurred and court costs associated with the eviction shall be an Assessment and lien against the Unit.

- (B) Use of Common Elements. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including but not limited to, the use of any and all recreational facilities and other amenities. However, lessees must have the express written permission of the Owner prior to reserving the clubhouse. Owners leasing their Unit shall not be permitted to use the Association's recreational facilities.

7.2.10 Transient Use and Lease Terms. No Units shall be used for transient or temporary lodging facilities, including short-term residential, hotel, motel, bed and breakfast, or other similar temporary lodging.

7.2.11 Authority to Charge Fees. The Association shall have authority to impose reasonable fees for the administration of the leasing permit program upon those Owners requesting either a Leasing Permit or Hardship Leasing Permit. Such fees shall be calculated to recover the estimated or anticipated fees to be incurred by the Association for the administration of the leasing permit program, including administrative costs of the Association's managing agent to administer the program.

7.2.12 Authority to Adopt Rules and Regulations. The Association shall have the authority to adopt rules and regulations regarding leasing, including the

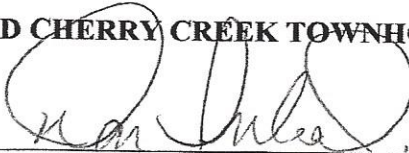
implementation of this restriction, and for implementation of other restrictions in the Declaration and as allowed by law. Failure to abide by these leasing restrictions, or any related rules and regulations may result in the revocation of a leasing or hardship leasing permit, at the Association's discretion.

- 2. This amendment is limited to the additional provisions as stated above. All other covenants, restrictions, and conditions contained in the Declaration remain in full force and effect unless otherwise amended by a separate amendment.
- 3. All challenges to the validity of this amendment must be made within one (1) year after the date of recording of this document. The covenants and restrictions of the Declaration shall run with and bind the property in perpetuity.

IN WITNESS WHEREOF, the undersigned, being the President of Third Cherry Creek Townhouse Corp. hereby certifies that the Association has obtained the approval and consent for this Limited Amendment to the Declaration as stated above and as evidenced by written consents on file in the office of the Association.


Dated July 26, 2019.

THIRD CHERRY CREEK TOWNHOUSE CORP.

By: , President
Don Ireland, President

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

The foregoing Limited Amendment to the Declaration was acknowledged before me by Don Ireland, as President of the Third Cherry Creek Townhouse Corp., a Colorado nonprofit corporation, on this 26th day of July, 2019.


Notary Public
My commission expires: 2/21/2023

