

DECLARATION OF GRANTS COVENANTS,
CONDITIONS AND RESTRICTIONS ESTABLISHING
A PLAN OF CONDOMINIUM OWNERSHIP FOR

SNOWDANCE CONDOMINIUMS
AT KEYSTONE, COLORADO

ALF'S LTD., a Colorado corporation, (hereinafter called "Declarant") does hereby make the following grants, submissions and declarations:

ARTICLE I

Recitals

1.1 Intention of Declarant. Declarant is the Owner in fee simple of certain real property upon which it intends to construct one or more multi-story buildings containing residential condominium units. The name by which this condominium is to be identified is Snowdance Condominiums. The purpose of this Declaration is to define the character, duration, rights, obligations and limitations of condominium ownership and to submit the land, the improvements thereon and the property interests as herein described to condominium ownership and use in the manner provided in the Condominium Ownership Act of the State of Colorado.

ARTICLE II

Definitions

Unless the context clearly indicates otherwise, the terms defined in this Article II shall have the following meaning when used in this Declaration:

2.1 "Apartment" or "Apartment Unit" means an individual air space unit, consisting of enclosed rooms occupying all or part of a floor or floors in a Building,' as hereafter defined, and bounded by the unfinished perimeter walls, ceilings, and floors. For the purpose of defining an "Apartment Unit", the following terms apply:

- 2.1-1 "Unfinished wall" means the studs, supports and other wooden, metal or similar structural materials which constitute the interior face of a wall.
- 2.1-2 "Unfinished ceiling" means the beams, ceiling joists and wooden structure which constitute the interior face of a ceiling.
- 2.1-3 "Unfinished floor" means the beams, floor joists and plywood deck or similar floor deck material which constitute the interior face of a floor.

An Apartment or Apartment Unit shall include (a) all interior non-supporting walls together with fixtures and improvements contained therein: (b) the dry wall, wall paneling, wood, tile, paint, paper, carpeting or any other wall, ceiling or floor covering, windows, and doors: (c) any fireplace hearth, fireplace facing brick or tile or firebox: (d) fixtures, hardware, and all improvements contained within the unfinished perimeter walls, ceilings and floors; and, (e) the baseboard heating element, utility lines and outlets, electrical and plumbing fixtures, pipes and all other related equipment required to provide heating, water, electrical, telephone or other utility services to the Apartment and located within the Apartment as above defined. An Apartment or Apartment Unit shall not include any of the foundations, columns, girders, beams, or other structural components of the Building or utility or service lines located within the Apartment Unit which serve more than one Apartment Unit. Each Apartment Unit as thus defined shall be shown on the Condominium Map to be filed for record.

2.2 "Association" means Snowdance Condominium Association, a Colorado non-profit corporation, its successors and assigns, the Articles of Incorporation and By-laws of which shall govern the administration of the Condominium Property, and the members of which shall be all of the Owners of the Condominium Units.

2.3 "Board of Managers" or "Board" means the governing body of the Association as provided in this Declaration, the Articles of Incorporation and the By-laws thereof.

2.4 "Building" or "Buildings" means a structure of one or more floors containing the Apartment Units and submitted to Condominium Ownership.

2.5 "Common Elements" means the General Common Elements and the Limited Common Elements as the same are hereafter described and defined.

2.6 "Common Expenses" means and includes (a) expenses of administration, operation and management, repair or replacement of the General Common Elements of the Condominium Property: (b) expenses declared Common Expenses by the provisions of this Declaration or' the By-laws of the Association: (c) all sums lawfully assessed against the Common Elements of the Condominium Property by the Board of Managers of the Association: (d) expenses agreed upon as Common Expenses by the Association of Unit Owners: and, (e) expenses as are provided in any Management Agreement.

2.7 "Condominium Declaration" or "Declaration" means this Declaration together with any supplement or amendment hereto filed for record in the office of the Clerk and Recorder of Summit County, Colorado.

2.8 "Condominium Map" or "Map" means and includes the engineering surveyor surveys of the land or the Site Plan and any supplemental site plan, locating thereon the Buildings, the floor plans and other drawings together with the various diagrammatic maps of the Buildings erected upon the property as such Buildings and their respective units become substantially completed, including without limitation,

charts or schedules depicting all or part of the improvements on the land, and filed for record in the office of the Clerk and Recorder of Summit County, Colorado.

2.9 "Condominium property" means all of the land and improvements initially submitted by this Declaration and subsequently submitted to this Declaration.

2.10 "Condominium Unit" means the fee simple interest in title in and to an Apartment Unit together with the undivided interest in the Common Elements appurtenant to such Apartment Unit and all other rights and burdens created by this Declaration.

2.11 "First Mortgagee" means the holder of any Mortgage under which the interest of any Owner is encumbered and which Mortgage has first and paramount priority subject only to the lien of general or ad valorem taxes and assessments.

2.12 "General Common Elements" means (a) the real property described in Paragraph 3.1 below; (b) all structural components including but not limited to the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairways, fire escapes, entrances and exits of such Building or Buildings, perimeter floors, walls, and ceilings and chimneys, and flues; (c) installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, waste removal, incineration, other utilities (including all pipes, ducts, flues, wires, cable and conduit use in connection with such items), whether located in common areas or within Apartments; (d) tanks, pumps, motors, fans, compressors, ducts in general, all apparatus and installations existing for common use; (e) and, all other elements of the land, buildings, and improvements necessary or convenient to its existence, maintenance and safety which are normally and reasonably in common use, including the air space above such land; but except (a) those individual air space units identified as Apartments and (b) those Common Elements designated as Limited Common Elements on the Condominium Map.

2.13 "Land" means the real property more particularly described in Paragraph 3.1, below.

2.14 "Limited Common Elements" means those Common Elements either limited to and reserved for the exclusive use of an Owner or which are limited to and reserved for use by more than one but fewer than all of the Owners, including, but not limited to, outside steps and stairways leading to the outside front door of each Apartment, the outside front door itself and its outside framing and trim, the windows and their outside framing and trim, the porches, balconies, and patios attached to the various Apartments, storage spaces and vehicular parking space or spaces, all as described, located or shown by legend, symbol or words on the Condominium Map, originally and as the same may be supplemented.

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

2.16 "Owner" means a person, firm, corporation, partnership, association or other legal entity or any combination thereof, who own(s) one or more Condominium Units. A contract purchaser of a Condominium Unit in actual, lawful possession thereof is also an Owner.

ARTICLE III

Ownership and Submission of Real Property

3.1 Ownership of Real Property. The Declarant hereby submits the following described real property, together with the Buildings and improvements erected or to be erected thereon to the provisions of the Condominium Ownership Act of the State of Colorado:

A TRACT OF LAND LOCATED IN HOMESTEAD ENTRY SURVEY NO. 110, SECTION 24, TOWNSHIP 5 SOUTH, RANGE 77 WEST OF THE 6TH PRINCIPAL MERIDIAN, SUMMIT COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO. 8 OF SAID HOMESTEAD ENTRY SURVEY NO. 110, THENCE N 55°31'05" E, 1648.38 FEET TO THE TRUE POINT OF BEGINNING, THENCE S 4°40'00" E, 140.00 FEET; THENCE N 77°00'00" E, 112.99 FEET; THENCE N 16°28'00" W, 138.78 FEET; THENCE S 77°00'00" W, 84.31 FEET TO THE TRUE POINT OF BEGINNING.

3.2 Division into Condominium Units. The real property described in Section 3.1 above, together with the improvements constructed thereon is hereby divided into twelve (12) fee simple estates (Condominium Units). Each such estate consisting of a separately designated Apartment Unit and the undivided interest in and to the Common Elements appurtenant to such Apartment Unit as set forth on Exhibit "A" attached hereto and incorporated by reference herein.

3.3 Covenants Running with the Land. All provisions hereof shall be deemed to be covenants running with the land, or as equitable servitudes, as the case may be, and shall inure to the benefit of and be binding upon Declarant, its successors and assigns and to all persons hereafter acquiring or owning any interest in the Condominium Property or in any Condominium Unit, however such interest may be acquired.

ARTICLE IV

Condominium Map

4.1 Description. The Map shall be filed for record in the office of the Clerk and Recorder of Summit County, Colorado. The Map may be filed in whole or in parts or sections, from time to time, as stages of construction of the Units and other improvements are substantially completed. Each section of the Map filed subsequent to the first or initially filed Map shall be termed a supplement to such Map and the numerical sequence of such supplement shall be shown thereon. The Map or any part or section thereof depicting Units shall not be filed for record until the Building in which the Apartment Units are located has been substantially completed in order to permit the location thereof, both horizontally and vertically, by a registered engineer. The Map shall be filed for record prior to the conveyance of a Condominium Unit to a purchaser. The Map shall depict and show at least the following:

1. The legal description of the land and a survey thereof;
2. The location of the Building on the land;
3. The floor and elevation plans;
4. The location of the Apartments within the Building, both horizontally and vertically;
4. The thickness of the common walls between or separating the Apartments; and,
5. The location of any structural components or supporting elements of the Building.

The Map shall contain the certificate of a registered professional engineer or licensed architect, or both, certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the Building, the Apartments, the Unit designations, the dimensions of the Apartments, the elevations of the unfinished floors and ceilings as constructed, the Building name or designation, and that such Map is prepared subsequent to the substantial completion of the improvements. Each supplement or any amendment shall set forth a like certificate when appropriate.

4.2 Interpretation. In interpreting the Map, the existing physical boundaries of each separate Apartment as constructed shall be conclusively presumed to be its boundaries.

4.3 Amendment. Declarant reserves the right to amend the Map, from time to time, to conform to the actual location of any of the constructed improvements and to establish, vacate and relocate utility easements, access road easements and parking areas outside the Buildings.

ARTICLE V

Easements and Reservations

5.1 Easements for Ingress and Egress. Declarant does agree to transfer and convey, as an appurtenance of each and all Condominium units, a limited, non-exclusive easement of ingress and egress to assure access from a public road to each and every Condominium Unit and to the real property submitted to this Condominium Declaration, whether initially or by Supplement. The intention of Declarant is that ingress and egress shall be by an access road from presently located U.S. Highway 6 and crossing some of the property of Declarant or its predecessors in title and which is designated on the Map for the Snowdance Condominiums. The ingress and egress is generally described as a private driveway approximately 30 feet in width, complying with the Summit County Regulations relating to private driveways in force at the time of this Declaration, located generally along the eastern property line of Declarant's property projected on a course to U.S. Highway 6; PROVIDED, Declarant reserves the right to survey and relocate the easement generally described above, and make grant of the same pursuant to survey, which survey shall become a description of the limited, non-exclusive easement of ingress and egress, and when made the grant of the easement shall be the ingress and egress easement and whatever effect this paragraph of the Declaration may have shall cause any property not described in said specific grant of easement to automatically revert to the grantor, Declarant, its successors and assigns forever.

5.2 Easements for Support. Declarant hereby grants as an appurtenance to each Condominium Unit, an easement of support for the benefit of all the Apartment Units and the Common Elements of the Snowdance Condominiums. The easement of support shall burden the ground under the Snowdance Condominiums and shall require maintenance by Declarant of structural facilities of sufficient strength to adequately support the Building and the Common Elements of the Snowdance Condominiums.

5.3 Easements for Encroachments. If any portion of the Common Elements now encroaches upon any Apartment or if any Apartment now encroaches upon any other Apartment or upon any portion of the Common Elements, or if any portion of the Common Elements or if any Apartment encroaches upon any property of the Declarant, as a result of the construction of the Building, or if any such encroachments shall occur hereafter as a result of settling or shifting of the Building or for any other reason, a valid easement for the encroachment and for the maintenance of the same so long as the Building stands shall exist. In the event any Building, or any adjoining Common Element, shall be partially or totally destroyed as a result of condemnation, eminent domain proceedings or casualty, and then rebuilt, and as a result of such rebuilding any portion thereof shall encroach as provided in the preceding sentence, valid easements for such encroachments and the maintenance thereof shall exist so long as the building shall stand. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Condominium Unit.

5.4 Reservation of Easements, Exceptions and Exclusions.
Declarant reserves to itself the right to establish from time to time by dedication, or otherwise, utility easements as the same may be deemed necessary, for so long as the Declarant retains an ownership in the Condominium Property.

5.5 Reservation to Enlarge and Supplement Condominium Property.

5.5-1 Declarant, for itself, its successors and assigns, expressly reserves the right until October 1, 1981, to enlarge this Condominium Project by submitting additional real property and improvements to condominium ownership.

5.5-2 Supplements to this Declaration shall provide for a division of additionally submitted real property and improvements into Condominium Units. Each Unit shall be separately designated, and each Building shall be identified by a symbol or designation dissimilar to any other Building in the Condominium Project. The undivided interest in and to the Common 'Elements appurtenant to each such Apartment Unit created by a supplement to this Declaration shall not be a part of the Common Elements appurtenant to Condominium Units described and initially created by this Declaration and the Map, nor a part of the Common Elements of any subsequently submitted Condominium Units; provided, however, that all Owners of Condominium Units in this Condominium Project shall have a non-exclusive right in common with all other Owners to use all of the General Common Elements within the entire Condominium Project designated on the Map and any and all supplements or amendments thereto, together with such non-exclusive rights as are provided in this paragraph entitled "reservation to enlarge and supplement Condominium Project", which paragraph shall be considered in its entirety and not in separate subparagraphs. As additional Condominium Units are submitted to this Condominium Project and in order that Common Expenses and voting rights of this Condominium Project be shared proportionately and equitably by the Owners of the initially submitted Condominium Units and the Owners of all subsequently submitted Condominium Units, the assessment ratio for Common Expenses and the voting rights ratio shall be re-determined according to the same principle employed in this Declaration at its inception, that is, each Condominium Unit shall bear a portion of the Common Expenses and shall have voting rights in the Association equal to a fraction the numerator of which is the square footage of the individual Condominium Unit and the denominator of which is the aggregate square footage of all Condominium Units making up the Condominium Project at the time and as successively increased by the addition of Condominium Units. The total of all of the percentage interests making up the then

hundred percent (100%) for the stated purposes. (However, each Condominium Unit, regardless of the number of Owners, shall be entitled to one (1) voting membership in the Association for all purposes under this enlarged Condominium Project shall be considered one Declaration and under the Association's Bylaws and shall not change by the enlargement of the Condominium Project or otherwise.) The percentage (for sharing Common Expenses and for voting rights purposes) for each initially submitted Condominium Unit, is the same as the appurtenant undivided percentage interest which is set forth after each Condominium Unit in Exhibit "A" hereof. Each 'supplement to this Declaration shall set forth on an Exhibit thereto the appurtenant undivided interest in the Common Elements appurtenant to each Apartment Unit, the voting rights of each such Condominium Unit and the Unit's proportionate obligation in regard to the payment of the estimated Common Expenses.

5.5-3 Except as may be otherwise provided by the provision of such Supplement(s) to this Declaration, all of the provisions contained in this Declaration shall be applicable to such additional Condominium Units submitted to this Condominium Project.

5.5-4 Each Owner shall have the non-exclusive right, together with all the Owners, to use all general common areas, open spaces, recreational facilities, grass and landscaping areas and all other areas in the project which are not herein specifically dedicated to the use of less than all of the Owners. This easement shall be irrevocable and shall be for the purposes of ingress and egress, recreational and social use and shall apply to all property hereafter committed to this Condominium Project.

5.5-5 Although the land initially committed to this Condominium Project is not contiguous, it is contemplated that some additional lands reflected on Exhibit "B" will also ultimately be committed to this Project, but the Declarant, its appointees, successors and assigns, shall have no affirmative obligation to do so.

5.6 Easement of Access and Enjoyment. Declarant has agreed to transfer and convey, as an appurtenance of each Condominium Unit, the limited, non-exclusive easement for the purpose of ingress and egress to and from each Condominium Unit and the use and enjoyment thereof, subject to survey and relocation and to Declarant's reservation to enlarge and (supplement the Condominium Project. Declarant further agrees to grant and convey, as an appurtenance of each Condominium Unit, a limited, non-exclusive easement in common on, over and across the property described in Exhibit "C" to ~ this Declaration for the purposes of pedestrian access to the Condominium Project and the use and enjoyment of said described real property.

The duration of this easement shall be until such time as the Declarant shall convey to the Association the real property described in Exhibit C which conveyance shall occur on or before January 1, 1981. The Declarant hereby covenants and agrees to convey the real property described on Exhibit C to the Association prior to said time free and clear of all liens and encumbrances except the general real estate taxes due and owing for the year of conveyance. The Association shall not convey, encumber, partition or subdivide this real property without the prior written consent of at least seventy-five percent (75%) of the Owners of the Condominium Units and seventy-five percent (75%) of the first mortgagees.

ARTICLE VI

Incidents of Condominium Ownership

6.1 Inseparability. Each Apartment Unit shall be inseparable from the undivided interest in and to the Common Elements appurtenant to such Unit and no such Unit shall be conveyed, leased, devised, mortgaged or otherwise transferred except as a complete Condominium Unit as defined in Paragraph 2.10.

6.2 Partition. The Common Elements shall be owned in common by all the Owners of Condominium Units, and neither an Owner, group of Owners nor the Association shall bring any action for partition or division of the Common Elements, nor by act or omission, seek to abandon, encumber, sell or transfer the Common Elements. Similarly, no action shall be brought for partition of a Condominium Unit between or among the Owners thereof. In the event that any Owner, or group of Owners, violates this Paragraph, such Owner or Owners agree that this Paragraph may be pleaded as a bar to the maintenance of such an action for partition, and further that the Association shall be entitled to personally collect, jointly and severally, from the parties violating this Paragraph, the actual attorneys' fees, costs and other damages the Association sustains in connection therewith. Further, all Owners, and the Association covenant that they shall neither by act nor omission, seek to abandon, subdivide, encumber, sell or transfer the Common Elements without first obtaining the written consent of at least seventy-five percent (75%) of the first mortgagees of the individual Condominium Units. Each such first mortgagee shall have one vote for each mortgage owned by it. Any such action without the written consent of said mortgagees shall be null and void.

6.3 Owners' Rights to Common Elements. Subject to the limitations contained in this Declaration, any Owner shall have the nonexclusive right to use and enjoy the General Common Elements and shall have the exclusive right to use and enjoy the Limited Common Elements appurtenant to his Condominium Unit, including vehicular parking space or spaces, which shall be assigned by the Association, by any method it deems reasonable.

6.4 Separate Tax Assessments. Upon the recording of the Declaration and the filing of the Condominium Map for record in Summit County, Colorado, Declarant shall deliver a written notice to the Assessor of Summit County, Colorado, as provided by law, which notice shall set forth the descriptions of the Condominium Units, so that thereafter all taxes, assessments and other charges of the State or any political subdivision thereof or of any special improvement district or any other taxing agent or assessing authority shall be assessed against and collected on each Condominium Unit, each of which shall be carried on the tax records as a separate and distinct parcel for that purpose. For the purpose of such assessment, evaluation of the Common Elements shall be apportioned among the Apartment Units in proportion to the fractional interest in the Common Elements appurtenant to such Apartment Units.

6.5 Access to Units for Maintenance, Repair and Emergencies. The Owners shall have the irrevocable right to be exercised by the Board of Managers of the Association or their delegated representatives, or by Declarant should the Association fail to act, to access to each Apartment during reasonable hours when required for maintenance, repair or replacement of any of the Common Elements. This right of access shall be immediate where emergency repairs are necessary to prevent damage to the Common Elements or to another Apartment. Damage to the

- interior of any part of the Apartment resulting from the maintenance, repair, emergency repair or replacement of any of the Common Elements or as a result of emergency repairs within another Apartment shall be a Common Expense of all of the Owners. If such damage is caused by the act or acts of any Owner, members of his family, his agents, employees, invitees, licensees, or tenants, then such Owner shall be responsible and liable for all damages. All damaged improvements shall be restored to substantially the same condition in which they existed prior to the damage.

6.6 Association's Right to Use of Common Elements. The Association shall have a nonexclusive easement to make use of the Common Elements when necessary to perform its duties and obligations pursuant to this Declaration, the Articles of Incorporation and Bylaws, including the right to construct and maintain in the General Common Elements maintenance, storage, laundry and other necessary and appropriate facilities for use by the Association.

ARTICLE VII

Description of Condominium Units

7.1 Prior to Filing Map. A Contract for the sale of a Condominium Unit prepared prior to the filing of the Map may describe the Condominium Unit by the Building and Unit designation shown on Exhibit "A" to this Declaration, followed by the words "The Snowdance Condominium at Keystone, Colorado."

7.2 After Map is Filled. Subsequent to the filing of the Map and recording of this Declaration, every instrument conveying, encumbering or otherwise affecting legal title to a Condominium Unit may legally describe the Condominium Unit in form and substance as follows:

Building _____, Unit _____, the Snowdance Condominiums at Keystone, Colorado, as shown on the Condominium Map recorded at Reception No. _____ subject to the Declaration for the Snowdance Condominiums recorded in Book _____ at Page _____, Summit, County Records.

7.3 Use of Description. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber, or otherwise affect not only the Unit, but also the undivided interest in the Common Elements appurtenant to the said Unit" and all other appurtenant properties and property rights, and incorporate all of the rights and burdens incident to Ownership of a Condominium Unit and all of the limitations thereon as described in this Declaration and the Condominium Map.

ARTICLE VIII

Mechanics' Lien Rights and Indemnification

8.1 Mechanics' Liens. Subsequent to the completion of the improvements described on the Map, no labor performed or materials furnished and incorporated in a Condominium Unit with the consent or at the request of the Owner of that Unit or his agent, contractor or subcontractor shall be the basis for filing a lien against the Condominium Unit or any other Owner not expressly consenting or requesting the said labor or materials, or against any of the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners from all liability arising from the claim of any lien claimant against the Condominium Unit of any other Owner or against the Common Elements. This Article shall not apply to any labor performed or materials furnished at the request of the Board of Managers of the Association, or their delegated representatives. The Association may enforce such indemnity

by collecting from the Owner of the Unit on which the Labor was performed or materials furnished the amount necessary to discharge any lien, including all costs relative to obtaining a discharge of the lien. Such collection shall be made in accordance with Article XII of this Declaration. Notwithstanding the foregoing, any mortgagee of a Condominium Unit who shall become the Owner of such Condominium Unit pursuant to a lawful foreclosure sale or the taking of a deed in lieu of foreclosure, shall not be under any obligation to indemnify and hold harmless any other Owner against liability for claims arising prior to the date such mortgagee becomes an Owner.

ARTICLE IX

The Association

9.1 The Association. The administration of the Condominium Property shall be governed by this Declaration, the Articles of Incorporation and the By-laws of the Snowdance Condominium Association, Inc., a Colorado non-profit Corporation.

9.2 Membership. An Owner of a Condominium Unit shall become a member of the Association upon conveyance to such Owner of a Unit and shall remain a member for the period of his Ownership. If title to a Condominium Unit is held by more than one person or entity, or combination thereof, the membership related to that Condominium Unit shall not be affected by such joint Ownership, except that such membership shall constitute one membership only for purposes of the Association and shall be exercised by the joint Owners in such manner as they may decide. An Owner shall be entitled to one membership for each Condominium Unit owned by him. Such membership is appurtenant to the Condominium Unit and a transfer of such Unit automatically transfers the appurtenant membership. Ownership of a Condominium is the only manner in which the Association membership may arise, but the right to membership may be assigned to a mortgagee as further security for loans secured by a lien on a Condominium Unit.

9.3 Voting Rights. A membership includes voting rights as set forth on Exhibit "A" to the Declaration.

9.4 Transfer. Except as otherwise stated, the Association shall not transfer any of its rights, interests or obligations to any other person or entity.

9.5 Examination of Books and Records. The Association shall grant to each first mortgagee of a Condominium Unit the right to examine the Books and Records of the Association at any reasonable time. Further, the Association shall notify each first mortgagee of any Condominium Unit of any proposed amendment of the Association's Articles of Incorporation or Bylaws. or any change in the Association's managing agent at least, ten (10) days prior to the effective date of such amendment or change.

ARTICLE X

Maintenance

10.1 Owners' Responsibilities. Each Owner shall have the obligation to maintain and keep in good repair his Apartment.

An Owner shall not be responsible for repair occasioned by casualty as defined in this Declaration unless such casualty is due to the act or negligence of the Owner, his guests or tenants. An Owner shall reimburse the Association for any expenditure incurred for replacing or repairing of any Common Element damaged through fault of an Owner, his guests or tenants, and the Association shall be entitled to assess such Owner for such amounts which shall be collectable in the manner set forth in the Article of this Declaration on assessments. No Owner shall alter any Common Element without the prior written consent of the Association.

10.2 Association's Responsibility. The Association shall maintain and keep in good repair, as a Common Expense, all the Condominium Property not required to be maintained and kept in good repair by an Owner, and provide services out of the regular assessment as set forth in Paragraph 3.10-7 of the Bylaws of the Snowdance Condominium Association, Inc.

s Rights and Obligations

11.1 Common Elements. The Association shall be responsible for the exclusive management and control of the Common Elements and the improvements thereto, and shall keep the same in good, clean, attractive and sanitary condition. The cost of such management, operation, maintenance and repair shall be assessed and borne as provided hereafter.

11.2 Providing of Services. The Association, in the discharge of its duties and obligations, may contract with, employ or otherwise retain such personnel as the Association shall deem necessary for the proper operation, maintenance, and repair of the Common Elements. The cost of such services shall be assessed and borne as hereafter provided. The Association may also acquire for the use and benefit of all of the Owners such tangible and intangible personal property as it may be deemed necessary in the discharge of its duties and obligations. Such personal property shall be deemed to be owned by the Owners in the same proportion as the undivided interests set out under Paragraph 3.2. Each Owner may exercise the use of such property for the purpose intended, so long as such use does not interfere with the use of other Owners in the Association,

11.3 Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Apartments and the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration. Such rules and regulations may include, without limitation thereto:

- (1) Draperies and other interior window and door coverings be of the uniform type and color consistent with an appearance which gives integrity to the exterior of the Building as a whole;
- (2) Assignment and reassignment of parking spaces and storage areas;
- (3) All other matters relative to the maintenance of a uniform and desirable appearance of the entire Condominium Property.

The Association may suspend any Owner's voting rights in the Association during any period an Owner is in violation of such rules and regulations, or of any obligation of an Owner under this Declaration. The Association may also take judicial action to enforce compliance with any of the above.

11.4 Board of Managers. At least annually the Association shall notify, by mail, each Owner as to the names and addresses of the Board of managers and the managing agent, if any.

ARTICLE XII

Assessments

12.1 All Owners shall be obligated to pay the estimated assessments imposed by the Board of Managers. Such assessments for the estimated Common Expenses shall be paid quarterly and shall be due on the first day of January, April, July and October of each year. The Board shall meet and fix such assessments and mail to each Owner a statement for such expenses twenty (20) days in advance of the due date. The Board shall have the right, but not the obligation, to make pro rata refunds of assessments in excess of actual expenses. The Association, through the Board of Managers, shall be obligated to establish a reserve fund for the maintenance, repair and replacement of those Common Elements that must be replaced periodically and such reserve funds shall be funded through the quarterly payments of the Common Expenses and not be extraordinary special assessments. Any refunds shall be made after provision for such reserve or surplus fund as the Board deems necessary, refunds to be made on or before February 1 for the prior year.

12.2 Apportionment. The percentage of Common Expenses to be paid by the Condominium Owners shall be equal to such Owner's undivided interest as set forth on Exhibit "A" to this Declaration. The Declarant shall be considered to own only the undivided interest in Common Elements based upon Condominium Units which have been completed but not conveyed by the Declarant or which are retained in the Declarant's Ownership for its purposes. Contributions for such assessments shall be prorated if the Ownership of a Unit commences on a day other than the first day of the quarterly assessment. Each quarterly assessment shall bear interest at the rate of 10 percent per annum from the date it becomes due and payable. Failure of the Association to give timely notice of an assessment shall not affect the liability of the Owner of any Condominium for such assessment, but the due date in such a case shall be twenty (20) days after notice has been given.

12.3 Special Assessments. In addition to the assessments stated above, the Association may levy a special assessment where the Common Expenses during a quarterly assessment period include unexpected and unforeseen repairs, maintenance or other operational costs. Such assessments shall be made on the same basis as the routine quarterly Common Expenses, by reference to Exhibit "A" to this Declaration.

2.4 Assessment Lien. All sums assessed but unpaid for the share of Common Expenses or the share of special assessments chargeable to any Condominium Unit shall constitute a lien on such Unit, superior to all other liens and encumbrances except (a) tax and special assessment liens on the Condominium Unit in favor of a taxing authority and (b) all Sums unpaid on a first mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. To evidence such lien, the Board shall prepare a written notice setting forth the amount of the unpaid indebtedness, together with the interest thereon, the name of the Owner of the Condominium Unit and a description of the Condominium Unit and shall record the same in the real property records of Summit County, Colorado. This lien shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Condominium Unit by the Association in the manner for foreclosing a mortgage on real property. In the event of foreclosure, the Owner shall be liable for the amount of unpaid assessments, interest, costs and expenses of the proceedings, costs and expenses of filing of the notice of lien and all reasonable attorney's fees. The Association shall have the power to bid on a Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Any mortgage holding a lien on a Condominium Unit may pay the unpaid assessment on such Unit together with other costs, expenses and interest thereon, and such mortgagee's lien shall be increased in the amount paid and with a priority equal to that of the mortgagee's lien by virtue of its mortgage. No lien, other than the assessment lien provided herein, mechanics' liens, and tax liens, may be obtained against the General or Limited Common Elements.

12.5 Personal Obligation. The amount of any assessment chargeable against a Condominium Unit shall be a personal and individual debt of the Owner. No Owner may exempt himself from liability for the assessment by abandonment or waiver of the use or enjoyment of any of the Common Elements. Suit may be instituted by the Association to recover a money judgment against an Owner, ther with interest, expenses, and attorney's fees, and the same may be without foreclosing or waiving the assessment lien described under above.

12.6 Notice to Mortgagee. The Association shall report to any Mortgagee Condominium Unit any unpaid assessment remaining unpaid for longer than ty (30) days after the same is due, or any other default of any covenant, ition, obligation or term of this Declaration not cured within 30 days; ided, however, that such mortgagee first shall have furnished to the ciation notice of its encumbrance.

ts.
On payment of a reasonable fee, not to exceed \$15.00, and upon written request, any Owner, mortgagee, prospective mortgagee or prospective purchaser of a Condominium Unit may obtain from the Association a written statement setting forth the amount of unpaid assessments, if any, on a certain Condominium Unit. No assessments, debts or obligations, other than those stated, shall be assumed by a unit Owner on his Condominium Unit. If the Association fails to issue such a statement within twenty (20) days following the request, all unpaid assessments which were due prior to the date the request was made shall become subordinate to the lien of the mortgagee who acquires its interest subsequent to the date such a request for statement of status of assessment payments was made. If the request is made by a prospective purchaser, both the lien for unpaid assessment and personal obligation of the purchaser shall be released automatically if the statement is not furnished within twenty (20) day period required.

2.8 Personal Liability of Purchaser for Assessments.

Subject to the provisions of the preceding paragraph, a purchaser of a Condominium Unit shall be jointly and severally liable with the seller for all unpaid assessments on the Condominium Unit outstanding at the time of conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser toward such assessments. The foregoing provisions shall not apply to a mortgagee who acquires property by foreclosure or by deed in lieu of foreclosure.

12.9 Payment of Initial Assessment. At the time of conveyance of a Condominium Unit, the purchaser shall receive from the Association a statement of the assessment for that Condominium Unit for the quarterly assessment period during which the conveyance and closing occurs. The amount of such assessment shall be treated as a debit to the purchaser on his settlement statement, or in the alternative the Snowdance Condominium Association shall receive the said purchaser's funds, in a form acceptable to the Association, to cover such assessment.

ARTICLE XIII

Restrictive Covenants and Use of the Condominium Units

13.1 Additions, Alterations or Decorations. No exterior additions, alterations or decorations to any Building, walls and other structures shall be commenced without prior written approval of the Board of Managers as to the conformity and harmony of such an addition, alteration or decoration with the overall design of the Condominium Property. No Buildings or structures shall be moved from other locations onto the premises and no improvements other than those depicted on the Map shall be erected or constructed on the Property. No structures of a temporary character, including but not limited to, tents, shacks, garages or other out-buildings shall be permitted to be maintained on the premises by an Owner without the prior permission of the Association.

13.2 Sales and Construction Facilities of Declarant. Declarant reserves the right to maintain during the period of construction and sale of the Condominium Units subject to this Declaration, and future Units contemplated pursuant to Paragraph 5.S.of this Declaration, such facilities as Declarant may require for the construction, sale or rental of Condominium Units.

3.3 Association's Right to Own Units. The Association may own a Condominium Unit or Units for any purpose which it shall deem necessary and convenient to the discharge of its obligations under this Declaration, the Articles of Incorporation or By-laws.

13.4 Use of Condominium Units. No animal pens, sheds, fences or other outbuildings or structures of any kind shall be erected by any Owner. No activity will be engaged in which interferes unduly with the peaceful possession and use of the Property by its Owners, nor shall any fire hazard or unsightly accumulation of refuse be allowed. No lights shall be emitted which are unreasonably bright or cause unreasonable glare; no sound shall be emitted which unreasonably interferes with another Owner's enjoyment; nor shall any other noxious or offensive conduct or action be allowed. No animals other than domesticated household pets shall be kept, provided that they do not unreasonably interfere with the use and enjoyment of the property by others.

The Owner of each Condominium Unit covenants and agrees not to engage or permit any activity or condition that would result in termination or increase of premiums for insurance on the Condominium Property.

13.5 Rules and Regulations. Rules and regulations may be adopted by the Board of Managers governing the use of the General and Limited Common Elements. Such rules and regulations shall be furnished to Unit Owners prior to the time they become effective, and such rules and regulations shall be uniform and nondiscriminatory.

13.6 Snowdance Condominium Association, Inc. Any Owner, his heirs, successors and assigns, shall, while he owns a Condominium Unit or Units, be a member of the Snowdance Condominium Association, Inc. He shall faithfully perform all obligations incident to such membership as are set forth in this Declaration and the Articles of Incorporation and By-laws of the Association. Such obligations are covenants running with the Owner's interest in the Condominium Property for the benefit of the Owner, the Association, and all persons subsequently acquiring an interest in the Condominium Property.

ARTICLE XIV

Insurance

14.1 Comprehensive General Liability and Property Damage Insurance. The Board of Managers of the Association shall obtain and maintain at all times, to the extent obtainable, policies involving standard premium rates, established by the Colorado Insurance Commissioner, and written with companies licensed to do business in Colorado and having a Best's Insurance Report rating of AAA or better, covering the risks set forth below. The Board of Managers of the Association shall not obtain any policy where: (i) under the terms of the insurance company's charter, bylaws or policy, contributions or assessments may be made against the mortgagor or mortgagee's designee; or (ii) by the terms of carrier's charter, bylaws or policy, loss payments are contingent upon action by the company's Board of Directors, policyholders or members; or (iii) the policy includes any limiting clauses (other than insurance conditions) which could prevent mortgagees or the mortgagor from, collecting insurance proceeds. The types of coverages to be obtained and risks to be covered are as follows, to-wit:

14.1-1 Fire insurance with extended coverage and all risk endorsements, which endorsements shall include endorsements for vandalism, malicious mischief, boiler explosion and machinery with a minimum endorsed amount of \$50,000.00 per accident per location. Said casualty insurance shall insure the entire condominium project and any property, the nature of which is a common element (including all of the Units, fixtures therein initially installed by the Declarant but not including furniture, furnishings or other personal property supplied by or installed by Unit Owners) together with all service equipment contained therein in an amount equal to the full replacement value, without deduction for depreciation. All policies shall contain a standard non-contributory mortgage clause in favor of each mortgagee of a Condominium Unit, which shall provide that the loss, if any, there under, shall be payable to the Snowdance Condominium Association, for the use and benefit of mortgagees as their interest may appear.

14.1-2 If the Condominium Project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the Condominium Project in an amount which is the lesser of the maximum amount of insurance available under the Act or the aggregate of the unpaid principal balances of the mortgages on the Condominium Units comprising the Condominium Project.

14.1-3 Public liability and property damage insurance in such limits as the Board of Managers of the Association may from time to time determine, but not in an amount less than \$500,000.00 per injury per person, per occurrence and umbrella liability limits of \$1,000,000.00 per occurrence, covering ~ all claims for bodily injury or property damage. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the project. Said policy shall also contain a "severability of interest endorsement."

14.1-4 Workmen's Compensation and employer's liability insurance and all other similar insurance with respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

14.1-5 The Association shall purchase, in an amount not less than one hundred fifty percent (150%) of the Association's estimated annual operating expenses and reserves, fidelity coverage against dishonesty of employees, destruction or disappearance of money or securities and forgery. Said policy shall also contain endorsements thereto covering any persons who serve the Association without compensation.

14.1-6 The Association may obtain insurance against such other risks, of a similar or dissimilar nature, as it shall deem appropriate with respect to the project, including plate or other glass insurance and any personal property of the Association located thereon.

14.2 Waivers. All policies of insurance to the extent obtainable shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Condominium Unit Owner and shall provide that such policies may not be cancelled or modified without at least ten (10) days prior written notice to all of the insured, including mortgagees. Duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all mortgagees at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming the Snowdance Condominium Association, inc. as the insured, as attorney-in-fact for all of the Condominium Unit Owners, which policy or policies shall identify the interest of each Condominium Unit Owner (Owner's name and unit number designation) and first mortgagee.

14.3 Fire Insurance. Prior to obtaining any policy of fire insurance or renewal thereof, the Board of Managers of the Association shall obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the entire Condominium Project, without deduction for depreciation, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions of this insurance paragraph. In no event shall the insurance policy contain a co-insurance clause for less than ninety percent (90%) of the full replacement cost. Determination of maximum replacement value shall be made annually by one or more written appraisals to be furnished by a person knowledgeable of replacement cost, and each mortgagee shall be furnished with a copy thereof, within thirty (30) days after receipt of such written appraisals. Such amounts of insurance shall be contemporized annually in accordance with their currently determined maximum replacement value.

14.4 No Individual Fire Insurance. No Owner shall separately insure his Condominium unit or any part of it against loss by fire or other casualty covered by the insurance carried under Paragraphs 14.1 and 14.3. Should any owner violate this provision, any diminution in insurance proceeds resulting from the existence of such other insurance shall be chargeable to the Owner who acquired such other insurance, and who shall be liable to the Association to the extent of any such diminution or loss of proceeds. This liability may be enforced as a special assessment under Article XII.

14.5 Owner's Personal Liability and Property Insurance. An Owner may carry personal liability insurance. In addition, any improvements made by an Owner to the real property within a Unit, as well as the personal property of the Owner, may be separately insured, such insurance to be limited to the type and nature of coverage often referred to as "Tenants' Improvements and Betterments". Any such insurance shall contain a waiver of subrogation rights by the carriers as to negligent Owners.

14.6 Attorney-in-Fact. The Association is hereby appointed the attorney-in-fact for all Owners to negotiate loss adjustments on any policy or policies carried by the Association. Under this Article XIV.

14.7 Notice. In the event that there shall be any damage or destruction to, or loss to a Unit which exceeds \$1,000.00 or any damage or destruction to, or loss to the Common Elements which exceeds \$10,000.00, then notice of such damage or loss shall be given by the Association to each first mortgagee of said Condominium Unit within ten (10) days after the occurrence of such event.

ARTICLE XV

Casualty

15.1 Association As Agent and Attorney-In-Fact. All of the Owners irrevocably appoint the Association as their true and lawful agent and attorney-in-fact in their name, place and stead for the purpose of dealing with Condominium Property upon its damage or destruction as hereafter defined. Acceptance by

a grantee of a deed from the Declarant or from any other Owner shall constitute appointment of the Association as attorney-in-fact. In event that the Association is dissolved or becomes defunct, a meeting of the Condominium unit Owners shall be held within thirty days of either such event. At such meeting a new attorney-in-fact, to deal with the property upon its damage or destruction shall be appointed. Said appointment must be approved by the Owners representing an aggregate Ownership interest of seventy-five percent (75%) or more of the Common Elements and at least seventy-five percent (75%) of the first mortgagees of the Condominium Units.

15.2 General Authority. As attorney-in-fact, the Association shall have full and complete authorization to execute and deliver any contract, deed or other instrument with respect to a Condominium Unit which may be necessary or appropriate to the exercise of the other powers here granted. Repair and reconstruction of the improvements as used in this Article shall mean the restoration of the affected Condominium Property to substantially the same condition existing prior to the damage, each Unit and the Common Elements appurtenant thereto having substantially the same verticle and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction.

15.3 Cost Estimate. As soon as practical after an event causing damage to, or destruction of, any part of the Condominium Property, the Association shall obtain reliable estimates as to the cost of repair or reconstruction of that part of the property damaged or destroyed.

15.4 Insurance Proceeds Sufficient to Repair. In the event the proceeds of insurance coverage are sufficient to cover the cost of repair or reconstruction after a casualty, as estimated pursuant to Paragraph 15.3, then such repair or reconstruction shall be promptly performed by the Association as attorney-in-fact for the Owners.

15.5 Insurance Proceeds Insufficient to Repair. If insurance proceeds are insufficient to repair and reconstruct the damaged or destroyed Condominium Property, the following provisions shall govern:

- (1) Partial Damage. For the purposes of this Article XV partial damage is defined as such damage which is not in excess of seventy percent (70%) of the total replacement cost of all of the Condominium Units in the damaged Building. Partial damage, whether or not insurance proceeds are sufficient to cover the same, shall be repaired as promptly as possible under direction of the Board of Managers, and the cost of such repairs or reconstruction in excess of insurance proceeds available shall be assessed against all Owners of the Condominium Building damaged or destroyed as a Common Expense.
- (2) Total Damage or Destruction. If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made

against all of the Owners and their Condominium Units, provided, however, that Owners representing an aggregate ownership interest of seventy-five percent (75%) or more of the Common Elements and at least seventy-five percent (75%) of the first mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire project shall be sold by the Association pursuant to the provisions of this paragraph, as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation and Bylaws. Assessments for Common Expenses shall not be abated during the period prior to sale. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Owner's interest in the Common Elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and name of the Owner. From each separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount of each of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any first mortgagee encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each Condominium unit Owner's interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution, from one account to another by the Association, as attorney-in-fact as follows:

- (a) For payment of the balance of the lien of any first mortgage;
- (b) For payment of taxes and special assessment liens in favor of any assessing entity and all reasonable expenses of sale;
- © For payment of unpaid common expenses and all costs, expenses and fees incurred by the Association;
- (d) For payment of junior liens and encumbrances in the order and to the extent of their priority; and,
- (e) The balance remaining, if any, shall be paid to the Condominium unit Owner.

Article XVI

Obsolescence

16.1 Renewal and Reconstruction. The Owners representing an aggregate Ownership interest of eighty-five percent (85%) or more may agree that the Condominium Property is obsolete and adopt a plan for renewal and reconstruction, which plan shall have the unanimous approval or consent of every First Mortgagee of a Condominium Unit. If a plan for the renewal and reconstruction is adopted, notice of adoption of the plan shall be mailed to each Owner and First Mortgagee and shall be recorded. The expense of renewal and reconstruction shall be payable by all of the Owners as a Common Expense. The Association, as attorney-in-fact, shall have the absolute right and power to sell the Condominium unit of any Owner refusing or failing to pay all or any part of such assessment when due. If such assessment is not so paid, the Association shall mail to the Owner and Mortgagee(s) of record of such unit if any, and shall cause to be recorded a notice that the Condominium Unit of such delinquent Owner shall be sold by the Association, subject to existing mortgages of record. The delinquent Owner shall be required to pay to the Association the cost and expense for filing the notice, interest at the rate of eight percent (8%) per annum on the amount of the Assessment and all reasonable attorney's fees. Proceeds derived from the sale of a Condominium Unit in this manner shall be used and dispersed by the Association, as attorney-in-fact, for the same purposes and in the same order as provided in Paragraph 15.5 (2) (a) - (e).

16.2 Sale of Property. The Owners representing an aggregate Ownership interest of eighty-five percent (85%) may agree that the Condominium Property is obsolete and that the same should be sold. Such plan shall have the approval of all of the first mortgagees of the Condominium Unit. In such instance, the Association shall record a notice executed by the Association's president and secretary setting forth such fact, and upon recording of the notice the Condominium Property shall be sold by the Association as attorney-in-fact for all of the Owners, free and clear of the provisions contained in this Declaration and other Condominium documents. The sales proceeds shall be collected, apportioned and dispersed by the Association as attorney-in-fact, in accordance with the procedures set forth in Paragraph 15.5 (2) (a) - (e).

ARTICLE XVII

Condemnation

17.1 Consequences of Condemnation. If at any time or times during the continuance of the Condominium Ownership under this Declaration, all or any part of the Condominium Property shall be taken or condemned by a public authority or sold or otherwise disposed of in lieu of or in advance of such taking, the provisions of this Article shall apply.

17.2 Proceeds. All compensation, damages or other proceeds, the "condemnation award", shall be payable to the Association.

17.3 Complete Taking. In the event that the entire Condominium Property is taken or condemned, or otherwise disposed of, as described in Paragraph 17.1, the Condominium Ownership under this Declaration shall be terminated. The condemnation award shall be apportioned among the Owners in proportion to the respective undivided interests in the Common Elements set forth in Exhibit "A", provided that if a different standard from the value of the Condominium Property as a whole is employed to measure the condemnation award, then in determining such shares the same standard shall be employed to the extent relevant and applicable.

On the basis of the above principles, the Association shall as soon as possible determine the share of the condemnation award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed in the same manner provided in Paragraph 15.5 (2) (a) - (e)

17.4 Partial Taking. In the event that less than the entire Condominium Property is taken or condemned, or otherwise disposed of in lieu of condemnation, the Condominium Ownership under this Declaration shall not be terminated. Each Owner shall be entitled to a share of the condemnation award as determined in the following manner:

- (a) As soon as possible the Association shall allocate the condemnation award between compensation, damages or other proceeds, and shall apportion the amounts so allocated to taking of the Common Elements and shall apportion such among the Owners in proportion to their respective undivided interests in the Common Elements;
- (b) The total amount allocated to severance damages shall be apportioned to the Condominium Units not taken or condemned;
- © The respective amounts allocated to the taking of a particular Unit and the improvements any Owner made to such a Unit shall be apportioned to the particular Unit involved; and,
- (d) The amount allocated to consequential damages shall be apportioned as the Association determines to be equitable.

Any other method of allocation used in arriving at ad hoc condemnation award shall be utilized where relevant and applicable. Distribution of proceeds shall be made by checks payable jointly to the respective Owners and their mortgagees.

17.5 Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association, shall cease to hold any right, title or interest in the remaining Common Elements and shall execute any and all documents necessary to accomplish the same. Thereafter, the Association shall reallocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception (square footage ratio) and shall submit such reallocation to the Owners and to first mortgagees of remaining Units for amendment of this Declaration as provided in Article XIX.

17.6 Notice. The Association shall notify each first any mortgagee of Condominium Unit of the commencement of the condemnation proceedings and shall notify said mortgagees in the event of the taking of all or any part of the Common Elements, of if the value the Common Elements taken exceeds \$10,000.00.

ARTICLE XVIII

Wells and Water Rights

18.1 Ownership. The Declarant is now the part Owner of a well, and the water rights appurtenant thereto, located on the real property described in Exhibit "B". The Declarant has conveyed to Snowdance Condominium Association a part interest in that well and appurtenant water rights, adequate to meet the needs of the Association in furnishing water for all necessary purposes to Condominium Units, and for the Association's own purposes.

18.2 The Declarant intends to cause to be drilled and completed an additional well to provide an alternate source of water, such well to be located on a yet-to-be determined location on the real property described in Exhibit "B". The Declarant hereby reserves all rights, title and interest in Condominium Property described in Paragraph 3.1, which is necessary or convenient to the completion, maintenance and operation of such well, including but not limited to easements for plumbing and electricity.

ARTICLE XIX

Amendment of this Declaration

19.1 Revocation. This Declaration shall not be revoked unless all of the Owners and all of the holders of first mortgages unanimously consent and agree to such a revocation by an instrument duly recorded.

19.2 Amendment. This Declaration shall not be amended, except as otherwise provided, unless the Owners representing an aggregate Ownership interest of seventyfive percent (75%) or more of the Common Elements and all of the holders of recorded first mortgages unanimously consent and agree by an instrument duly recorded.

ARTICLE XX

General provisions

20.1 Mailing Address. Each Owner shall register his mailing address with the Association, and all notices, demands and statements shall be sent by regular United States mail, postage prepaid, addressed in the name of the Owner at his registered mailing address. All notices and demands intended to be served upon the Board of Managers shall be sent by regular United States mail, postage prepaid, to the following address:
ALF's LTD

40 Montezuma Road
Dillon, Colorado 80435,

until such address is changed by notice of address change mailed to the Owners.

20.2 Compliance with Provisions. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, By-laws, rules and regulations of the Association as the same may from time to time exist. Failure to comply shall be grounds for an action to recover sums due for damages or injunctive relief, such suit to be maintained by the Board of Managers, its managing agent, or in a proper case, by an aggrieved Owner.

20.3 Severability. If any of the provisions of this Declaration, or any part of it, shall be declared to be invalid, such invalidity shall not affect the vaility of the remainder of this Declaration.

20.4 State Law. The provisions of this Declaration shall be governed by and construed under the laws of the State of Colorado.

20.5 Period of Condominium Ownership. The Condominium Ownership created by this Declaration and the Condominium Map shall be continuous, unless otherwise terminated under this Declaration.

20.6 Conflicts. In the event of any conflict b~tween the provisions of this Declaration and the Bylaws of the Association, the Bylaws shall control pursuant and subject to Section 38-33-106(4), Coloraro Revised Statutes 1973, as amended.

IN WITNESS WHEREOF, DECLARANT, BY ITS CORPORATE OFFICERS, HAS DULY EXECUTED THIS DECLARATION THE /5-~ DAY OF SEPTEMBER, 1976.

ALF'S LTD., A COLORADO CORPORATION

Attest: J ~.~,
Secretary

By, “~Ü~|~‘~
Alf Tleze, president

STATE OF COLORADO

COUNTY' " OF DENVER

The forgoing instrument was acknowledged before me this _____ day 1976, by Alf Tleze as President and James R. Riley, Jr. as secretary of ALF' s LTD., a Colorado Corporation .
Witness my ray hand and official seal .

My commission expires on
ltly Comm:issi011 Expires July 16₁ 198Q

)jj; /y'
)/-)-c.e / /J-r:<Ct:'?L-~'i~.j
Notary Public ~/

9

8.

EXHIBIT "A"

SNOWDANCE CONDOMINIUM DIVIDED PERCENTAGE

OWNERSHIP IN COMMON ELEMENTS

Building & Unit Number	<u>Square Feet</u>	Percent of Ownership And voting Rights
Building A, Unit 1	838	9.375
Building A, Unit 2	838	9.375
Building A, Unit 3	652	7.293
Building A, Unit 4	652	7.293
Building A, Unit 5	838	9.374
Building A,, Unit 6	838	9.374
Building A, Unit 7	652	7.292
Building A, Unit 8	652	7.292
Building A, unit 9	838	9.374
Building A, Unit 10	838	9.374
Building A, unit 11	652	7.292
Building A, Unit 12	652	7.292
TOTAL:	8940	100.000

EXHIBIT "B"

A TRACT OF LAND LOCATED IN HOMESTEAD ENTRY SURVEY NO. 110, SECTION 24, TOWNSHIP 5 SOUTH, RANGE 77 WEST OF THE 6TH PRINCIPAL MERIDIAN, SUMMIT COUNTY, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT CORNER NO.8 OF SAID HOMESTEAD ENTRY SURVEY NO. 110; THENCE NORTH 05° 19' WEST ALONG THE WESTERLY LINE OF SAID HOMESTEAD ENTRY SURVEY NO. 110, A DISTANCE OF 808.43 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO.6, BEING A POINT ON A CURVE; THENCE ALONG SAID SOUTHERLY RIGHT-OF-WAY OF U.S.

HIGHWAY NO.6, ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 2965.00 FEET AND CENTRAL ANGLE OF 5° 32' 17" AND WHOSE CHORD BEARS NORTH 79° 46' 08" EAST, 286.46 FEET DISTANT, AN ARC DISTANCE OF 286.59 FEET TO A POINT OF TANGENCY, BEING COLORADO HIGHWAY DEPARTMENT STATION 310+22.5;

THENCE NORTH 77° 00' 00" EAST, CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO.6, A DISTANCE OF 177.50 FEET TO COLORADO HIGHWAY DEPARTMENT STATION 312+00; THENCE NORTH 50° 26' EAST, CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF

U.S. HIGHWAY NO.6, A DISTANCE OF 111.80 FEET TO COLORADO HIGHWAY DEPARTMENT STATION NO. 313+00; THENCE NORTH 77° 00' 00" EAST, CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO. 6 A DISTANCE OF 745.71 FEET TO THE TRUE POINT OF BEGINNING WHENCE

CORNER NO. 8 HOMESTEAD ENTRY SURVEY NO. 110 BEARS SOUTH 49° 30' WEST 1757.65 FEET DISTANT; THENCE NORTH 77° 00' 00" EAST CONTINUING ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF U.S. HIGHWAY NO.6, A DISTANCE OF 98.00 FEET; THENCE SOUTH 16° 28' 00" EAST A DISTANCE OF 796.22 FEET TO A POINT IN THE APPROXIMATE CENTERLINE OF SNAKE RIVER; THENCE CONTINUING ALONG THE APPROXIMATE CENTERLINE OF SAID SNAKE RIVER FOR THE FOLLOWING FIVE (5) COURSES:

SOUTH 57° 39' 05" WEST A DISTANCE OF 50.66 FEET;
THENCE SOUTH 82° 43' 06" WEST A DISTANCE OF 114.32 FEET;
THENCE NORTH 48° 49' 00" WEST A DISTANCE OF 143.20 FEET;
THENCE NORTH 15° 32' 00" WEST A DISTANCE OF 112.14 FEET;
THENCE NORTH 15° 32' 00" WEST A DISTANCE OF 29.07 FEET;
THENCE SOUTH 60° 22' 37" EAST A DISTANCE OF 31.03 FEET;

THENCE NORTH 04° 40' 00" WEST A DISTANCE OF 570.00 FEET TO THE TRUE POINT OF BEGINNING, CONTAINING 141,007.83 SQUARE FEET OR 3.237 ACRES MORE OR LESS.