



Cheri Bruhvand-Summit County Recorder 8/7/2001 11:55 DF:

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF ORO GRANDE LODGE

THIS DECLARATION is made by Oro Grande Lodge Development, LLC, a Colorado limited liability company ("Declarant").

RECITALS

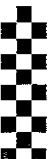
- 1. Declarant is the owner of real estate in Keystone, Summit County, Colorado, which is referred to below as the "Property" and is more particularly described as:

A parcel of land located in H.E.S. 100, in the NE 1/4 Section 24, Township 5 South, Range 77 West of the 6th Principal Meridian, County of Summit, State of Colorado, more particularly described as follows:

Beginning at a rebar and cap L.S. #19598 set in place on the Northerly right of way of U.S. Highway No. 6; said point of beginning bearing N. 77°00'00" E. along said Northerly right of way line 100.00 feet from Corner No. 1 of the Hansen Tract; thence S. 77°00'00" W. along said Northerly right of way a distance of 571.14 feet to a rebar and cap L.S. #15242 found in place; thence leaving said Northerly right of way, along the outside tract line of the final plat of Caravelle at Keystone the following 3 courses: N. 55°09'54" E. a distance of 91.47 feet to a rebar and cap L.S. #10847 found in place; thence N. 13°00'00" W. a distance of 265.98 feet to a rebar and cap L.S. #15242 found in place; thence N. 77°00'00" E. a distance of 386.23 feet to a rebar and cap L.S. #10847 found in place; thence S. 13°00'00" E. a distance of 260.00 feet to the Southwesterly corner of the Amber Tract, a rebar and cap L.S. #10847 found in place; thence N. 77°00'00" E. a distance of 100.00 feet to the Southeasterly corner of the Amber Tract, a rebar and cap L.S. #10847 found in place; thence S. 13°00'00" E. a distance of 40.00 feet to the point of beginning.

- 2. Declarant desires to create a condominium common interest community, to be known as Oro Grande Lodge Condominiums (the "Project") by submitting the Property to a condominium form of ownership pursuant to the provisions of the Colorado Common Interest Ownership Act, Sections 38-33.3-101, et seq., Colorado Revised Statutes, as it may be amended from time to time (the "Act").

AFTER RECORDING, RETURN TO: Schenk, Keiser & deWinter, LLP 302 Eighth Street, Suite 310 Glenwood Springs, CO 81601



3. Declarant also desires to protect and maintain the Project as a prime mountain residential area of the highest quality and value to enhance and protect its desirability and attractiveness.
4. Declarant further desires to provide for the operation and maintenance of the Common Elements and Limited Common Elements and other related facilities serving the Project.
5. Declarant has deemed it necessary and desirable, for the welfare of the residents of the Project and the preservation of the Property, to subject the Property to the covenants, restrictions, easements, charges, assessments and liens set forth below, which shall be burdens and benefits to the Declarant, purchasers of Condominium Units and their respective successors, heirs, executors, administrators, devisees, grantees or assigns.
6. Declarant has created a nonprofit corporation named "Oro Grande Lodge Property Owners Association" (the "Owners Association") and intends to delegate and assign to the Owners Association the powers and duties of maintaining and administering the Common Elements, Limited Common Elements, and administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges created under this Declaration.
7. The provisions of this Declaration are intended to conform to the Summit County Development Code which contains additional requirements pertaining to the Property. The provisions of the Summit County Development Code will control any contrary provisions in this Declaration.

ARTICLE I - DECLARATION

1.1 Imposition of Covenants. Declarant declares that the Property, including all improvements, appurtenances and facilities relating to or located on the Property now and in the future, shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements (the "Covenants"). From this day forward, the Property shall be held, sold, conveyed, encumbered, leased, rented, occupied and improved, subject to these Covenants. These Covenants shall (i) run with the land or as equitable servitudes, as the case may be, (ii) be binding upon and inure to the benefit of all persons or entities having any right, title or interest in all or any part of the Property, including Declarant, all Owners of Condominium Units ("Owners") and their respective heirs, executors, administrators, personal representatives, successors, assigns, families, tenants, guests, employees, contractors, agents, licensees and invitees, and (iii) create specific rights and privileges which shall be shared and enjoyed by all owners of any part of the Property. Declarant hereby submits the Property to the provisions of the Colorado Common Interest Ownership Act, Sections 38-33.3-101, et seq., Colorado Revised Statutes, as it may be amended from time to time (the "Act"). In the event the Act is repealed, the Act, on the effective date of this Declaration, shall remain applicable.

1.2 Declarant's Intent. Declarant intends to preserve and protect the attractiveness of the Property, to restrain and minimize future impairment or deterioration of the Property and to

preserve and enhance the value and desirability of the Property and to promote and safeguard the health, comfort, safety, convenience and welfare of the Owners of the Property.

ARTICLE II - NAME, DIVISION INTO UNITS

2.1 **Name.** The name of the Project is Oro Grande Lodge.

2.2 **Owners Association.** The name of the Owners Association is Oro Grande Lodge Property Owners Association. Declarant has caused to be incorporated under the laws of the State of Colorado the Owners Association as a nonprofit corporation with the purpose of exercising the functions as set forth in the Articles of Incorporation, this Declaration and the By-Laws of the Corporation and any procedures, rules, regulations or policies adopted under such documents by the Owners Association (the "Association Documents"). In consideration for the exercise of such functions, Declarant sells and conveys the Common Elements to the Owners Association.

2.3 **Units.** The maximum Units to be constructed on the Property are fifty (50). Identification numbers and boundaries of each Unit shall be shown on the map of Oro Grande Lodge Condominiums recorded in the records of the Clerk and Recorder of Summit County, Colorado. (the "Map"). The boundary lines depicted on the Maps are designated as boundaries of a Unit, which lines shall conform to the unfinished walls, floors and ceilings of each Unit. The wall, floor, ceiling and any structural extension that forms the division between any two (2) Units is declared to be a party wall. Subsequent to the recording of this Declaration, contracts to convey, instruments of conveyance, and all other instruments affecting title to a Unit shall be in substantially the following form, subject to such changes or other provisions as may be required by any law, practice or usage:

Condominium Unit ____, Oro Grande Lodge, according to the Declaration for Oro Grande Lodge, recorded on _____, 2001, at Reception No. _____, in the office of the Clerk and Recorder of Summit County, Colorado and the Map recorded _____, 2001, as Reception No. _____.

2.4 **Common Elements.** The Common Elements shall be all portions of the Property other than Units and are designated by this Declaration for the common use and enjoyment of Owners and their families, tenants, guests and invitees and not for the public. The Owners Association, subject to the rights and obligations of the Owners set forth in this Declaration, shall be responsible for the management and control of the Common Elements. Every Owner shall have a perpetual right and easement of access over, across and upon the Common Elements for the purpose of access to and from a Unit from public ways for both pedestrian and vehicular travel, which right and easement shall be appurtenant to and pass with the transfer of title to such Unit; provided, however, that such right and easement shall be subject to:

(a) the covenants, conditions, restrictions and easements contained in this Declaration and the Map of the Project, including restrictions regarding use of Limited Common Elements; and

(b) the right of the Owners Association to adopt, from time to time, rules and regulations for vehicular traffic and other passage across the Common Elements, as well as assignment of parking spaces, storage lockers and other portions of the Common Elements for exclusive use by designated units, to facilitate the optimum and most convenient use of the Units and Common Elements by Owners.

2.5 Limited Common Elements. A "Limited Common Element" means a portion of the Common Elements, designated in this Declaration, on the Map or by the Act, for the exclusive use of one or more but fewer than all of the Units. The following portions of the Property are designated as Limited Common Elements: (a) any portion of any chute, flue, duct, wire, conduit, bearing wall, bearing column, or other fixture lying partially within and partially outside the designated boundaries of a Unit serving only that Unit (b) any utility line or heating, cooling, water, communication or other apparatus exclusively serving a Unit whether or not located within the boundaries of the Unit, (c) any deck or balcony designated or designed to serve a single Unit, (d) any exterior doors and windows and their related frames, sills and hardware and other fixtures designed to serve a single Unit and (e) designated and assigned storage lockers.

2.6 Allocation of Use of Common Elements. Declarant reserves the right to allocate and designate additional areas of the Common Elements as Limited Common Elements for the exclusive use of individual Owners. Declarant may assign such Common Elements as Limited Common Element areas pursuant to the provisions of C.R.S. 38-33.3-208 of the Act (a) by making such an allocation in a recorded instrument or (b) in the deed to the Unit to which such Limited Common Element shall be appurtenant or (c) by recording an appropriate amendment or supplement to this Declaration. Such allocations by the Declarant may be to Units owned by the Declarant. After the period of Declarant control, the right of allocation pursuant to this Section shall pass from the Declarant to the Executive Board of the Owners Association and the Declarant may not thereafter exercise any such right.

2.7 Allocation of Specified Common Elements. The Executive Board may designate parts of the Common Elements from time to time for use by less than all of the Owners or by nonowners for specified periods of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Executive Board. Any such designation by the Executive Board shall not be a sale or disposition of such portions of the Common Elements.

2.8 Allocated Interests. The undivided interests in the Common Elements and the Common Expense Liability of each Unit shall be allocated among the Owners as set forth in Exhibit "A." For the purpose of determining votes in the Owners Association, each Unit shall have one vote.

2.9 **Improvements.** For the purpose of this Declaration, the word "Improvements" shall mean all buildings, parking areas, loading areas, fences, walls, hedges, plants, poles, antennae, driveways, signs, changes in any exterior color or shape, excavation and all other site work, including, without limitation, grading, roads, utility improvements and removal of trees or plants. "Improvements" include both original improvements and all later changes and improvements.

2.10 **Utility Easements.** There is hereby created a general easement upon, across, over, in and under the Property for ingress and egress and for installation, replacement, repair and maintenance of all utilities, including, but not limited to, water, sewer, heating, cooling, hot water, gas, telephone, electrical and cable communications systems or other apparatus serving any Unit. By virtue of this easement, it shall be expressly permissible and proper for the companies providing such services to install and maintain necessary equipment, pipes, wires, circuits and conduits under and over the Property. Such utilities may temporarily be installed above ground during construction, if approved by Declarant.

2.11 **Easements for Encroachments.** The Property, and all portions thereof, is subject to an easement of up to one (1) foot from any Unit boundary line or Common Area boundaries for the actual extent of encroachments created by construction as designed or constructed by the Declarant and for settling, shifting and movement of any portion of the Property. Such encroachments shall not be considered to be encumbrances upon any part of the Property. Encroachments referred to include, but are not limited to, encroachments caused by error in the original construction by Declarant of Improvements on any Unit, or by settling, rising or shifting of the earth.

2.12 **Emergency Access Easement.** A general easement is hereby granted to all police, sheriff, fire protection, ambulance and all other similar emergency agencies or persons to enter upon all streets and upon the Property in the proper performance of their duties.

2.13 **Maintenance Easement.** An easement is hereby reserved to Declarant and granted to the Owners Association and their respective officers, agents, employees and assigns, upon, across, over, in and under the Property and a right to make such use of the Property as may be necessary or appropriate to make emergency repairs or to perform the duties and functions which the Owners Association is obligated or permitted to perform pursuant to these Covenants or the Act, including the right to enter upon any Unit for the purpose of performing maintenance, repairing any utility service or the exterior of Improvements as may be required by these Covenants or the Act.

2.14 **Oro Grande Canal Easement.** The Owners Association shall be empowered to convey that portion of the Oro Grande Canal easement described as Lot B on the Map to any adjacent landowner on such terms and conditions as it shall deem proper and reasonable.

ARTICLE III - Owners Association

3.1 **The Owners Association.** Every person, by virtue of being an Owner and while such person is a Owner, shall be a member of Oro Grande Lodge Property Owner's Association (the "Owners Association") and shall remain a member for the period of the Owner's ownership of a Unit. Membership shall be appurtenant to and may not be separated from ownership of any Unit. No Owner, whether one or more persons or entities, shall have more than one membership per Unit owned, but all of the persons or entities owning a Unit shall be entitled to rights of membership and use and enjoyment appurtenant to such ownership. An Owner shall not transfer, pledge or alienate his membership in the Owners Association in any way, except upon the sale or encumbrance of his Unit and then only to the purchaser or Mortgagee of his Unit.

3.2 **Class of Membership.** The Owners Association shall have one (1) class of voting membership. Members shall be entitled to vote on Owners Association matters on the basis of one vote for each Unit owned. When more than one person holds an interest in any Unit, all such persons shall be members. The vote for such Unit shall be exercised in accordance with the By-laws.

3.3 **Authority.** The business affairs of Oro Grande Lodge shall be managed by the Executive Board of the Owners Association (herein the "Executive Board"), which shall be governed by the Owners Association's Articles of Incorporation, By-laws and this Declaration, as the same may be amended from time to time.

3.4 **Powers.** The Owners Association shall have all of the powers, authority and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of Oro Grande Lodge.

3.5 **Declarant Control.** The Declarant shall have all the powers reserved in Section 38-33.3-303(5) of the Act to appoint and remove officers and members of the Executive Board to the full extent and for the maximum period of time stated in the Act.

3.6 **Implied Rights and Obligations.** The Owners Association may exercise any right or privilege expressly granted to the Owners Association by the Act as the same may be amended from time to time, in the Association Documents, or by other law, and every other right or privilege reasonably implied from the existence of any right or privilege given to the Owners Association under the Association Documents or reasonably necessary to effect any such right or privilege. The Owners Association shall perform all of the duties and obligations expressly imposed upon it by the Association Documents, and every other duty or obligation implied by the express provisions of the Association Documents or necessary to reasonably satisfy any such duty or obligation.

ARTICLE IV - ASSESSMENTS

4.1 **Covenant and Agreement to Pay Common Expenses.** Declarant, for each Unit, hereby covenants, and each Owner of any Unit, by acceptance of a deed therefor, whether or not it

shall be so expressed in any such deed, are deemed to covenant and agree to pay to the Owners Association assessments (the "Assessments") for the common expenses of the Owners Association (the "Common Expenses") which shall include: (a) Periodic Assessments imposed by the Executive Board as necessary to meet the Common Expenses of maintenance, operation and management of the Common Elements and to perform the functions of the Owners Association; (b) Special Assessments for capital improvements and other purposes as stated in this Declaration as permitted by law; and (3) Default Assessments which may be assessed against a Unit for the Owner's failure to perform an obligation under the Association Documents or because the Owners Association has incurred an expense on behalf of the Owner under the Association Documents.

4.2 Personal Obligation to Pay Common Expenses Assessments chargeable to a Unit, as well as any fees, charges, late charges, attorney's fees, fines and interest charged by the Owners Association shall be the personal obligation of the Owner as of the time when the Assessment or other charges became or fell due. Two or more Owners of a Unit shall be jointly and severally liable for such obligations. No Owner may exempt himself from liability for the Assessment by abandonment of his Unit or by waiver of the use or enjoyment of all or any part of the Common Elements. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings and all reasonable attorneys' fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration.

4.3 Successor's Liability for Assessment. In addition to the personal obligation of each Owner to pay all Assessments, all successors to the fee simple title of a Unit, except as provided below on subordination of liens, shall be jointly and severally liable with the prior Owner or Owners thereof for any and all unpaid Assessments, interest, late charges, costs, expenses and attorney's fees against such Unit without prejudice to such successor's right to recover from any prior Owner any amounts paid by such successor. This liability of a successor shall not be personal and shall terminate upon termination of such successor's fee simple interest in the Unit. In addition, such successor shall be entitled to rely on the statement of status of Assessments by or on behalf of the Owners Association as set forth below.

4.4 Purpose of Assessments. Assessments shall be used exclusively to promote the health, safety and welfare of the Owners and occupants of the Property and for the improvement and maintenance of the Common Elements all as more fully set forth in this Declaration and on the Map.

4.5 Periodic Assessments. Period Assessments for Common Expenses made shall be based upon the estimated cash requirements as the Executive Board shall, from time to time, determine to be paid by all of the Owners. Periodic Assessments shall be payable monthly in advance and shall be due on the first day of each month or such other periods as the Executive Board may determine. The omission or failure of the Owners Association to fix the Periodic Assessments for any assessment period shall not be deemed a waiver, modification or release of the Owners from their obligation to pay the same. The Owners Association shall have the right, but not the obligation,

to make prorated refunds of any Periodic Assessments in excess of the actual expenses incurred in any fiscal year.

4.6 Apportionment of Periodic Assessments. Common Expenses shall be allocated and assessed against Units based on the relative square footage of each Unit to the total square footage of the Project which is conclusively set forth on Exhibit "A," annexed hereto, subject to the following exceptions.

4.6.1 Any Common Expense associated with the maintenance, repair or replacement of a Limited Common Element will be assessed against the Units to which that Limited Common Element is assigned, pro rata according to the Allocated Interest of such Units.

4.6.2 Any Common Expense benefitting fewer than all of the Units will be assessed exclusively against the Units benefitted, pro rata according to the Allocated Interest of such Units.

4.6.3 Any extraordinary insurance costs incurred as a result of the value of a particular Owner's residence or the actions of a particular Owner (or his agents, servants, guests, tenants or invitees) shall be borne by that Owner.

4.6.4 Any Common Expense caused by the misconduct of any Owner shall be assessed solely against such Owner's Unit.

4.7 Supplementary Assessments. In the event the Board shall determine, at any time or from time to time, that the amount of the Periodic assessments is not adequate to pay for the costs and expenses of fulfilling the Owners Association's obligations hereunder, one or more supplementary assessments may be made for the purpose of providing the additional funds required. To determine the amount required to be raised by each supplementary assessment, the Board shall revise the budget, a summary of which shall be furnished to each Owner, and shall set a date for a meeting of the Owners. Upon request, the Board will deliver a summary of the revised budget to any Mortgagee. Based on such revised budget, the Board may make a supplementary assessment for such fiscal year against each Unit.

4.8 Special Assessments. In addition to the Periodic Assessments authorized by this Article, the Owners Association may levy in any fiscal year one or more Special Assessments payable over such a period as the Owners Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of improvements within the Common Elements or for any other expense incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Owners Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration, and in acting under this Section, the Owners Association shall make specific references to this Section. Any amounts

assessed pursuant to this Section shall be assessed to Owners as provided in this Article, subject to the requirements that any extraordinary maintenance, repair or restoration work on fewer than all of the Units shall be borne by the Owners of those affected Units only and any extraordinary insurance costs incurred as a result of the value of a particular Owner's residence or the actions of a particular Owner (or his agents, servants, guests, tenants or invitees) shall be borne by that Owner. Notice in writing in the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given.

4.9 Default Assessments. All monetary fines assessed against an Owner pursuant to the Association Documents, or any expense of the Owners Association which is the obligation of an Owner or which is incurred by the Owners Association on behalf of the Owner pursuant to the Association Documents, shall be a Default Assessment and shall become a lien against such Owner's Unit which may be foreclosed or otherwise collected as provided in this Declaration. Notice of the amount and due date of such Default Assessment shall be sent to the Owner subject to such Assessment at least 30 days prior to the due date.

4.10 Effect of Nonpayment; Assessment Lien. Any Assessment installment, whether pertaining to any Monthly, Special or Default Assessment, which is not paid within thirty (30) days after its due date shall be delinquent. If an Assessment installment becomes delinquent, the Owners Association, in its sole discretion, may take any or all of the following actions:

- 4.10.1 Assess a late charge for each delinquency in such amount as the Owners Association deems appropriate;
- 4.10.2 Assess an interest charge from the date of delinquency at the yearly rate of two points above the prime rate charged by the Owners Association's bank, or such other rate as the Executive Board may establish, not to exceed twenty-one percent (21%) per annum;
- 4.10.3 Accelerate all remaining Assessment installments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable at once;
- 4.10.4 Disconnect any utility services to the Unit which are paid as a Common Expense;
- 4.10.5 Bring an action at law against any Owner personally obligated to pay the delinquent Assessments; and
- 4.10.6 File a statement of lien with respect to the Unit and proceed with foreclosure as set forth below.

Assessments chargeable to any Unit shall constitute a lien on such Unit, including any improvements on the Unit. To evidence the lien created under this Section, the Owners Association

may, but is not required to, prepare a written notice setting forth (i) the address of the Owners Association, (ii) the amount of such unpaid indebtedness, (iii) the amount of accrued penalty on the indebtedness, (iv) the name of the Owner of the Unit, and (v) a description of the Unit. The notice shall be signed and acknowledged by the President or a Vice-President of the Owners Association or by the Manager, and the Owners Association shall serve the notice upon the Owner by mail to the address of the Unit or to such other address as the Owners Association may have in its files for such Owner. At least ten (10) days after the Owners Association mails the Owner such a notice, the Owners Association may record the same in the office of the Clerk and Recorder of Summit County, Colorado. Such lien for Assessments shall attach from the due date of the Assessment. Thirty (30) days following the date the Owners Association mails the notice, the Owners Association may institute foreclosure proceedings against the defaulting Owner's Unit in the manner for foreclosing a mortgage on real property under Colorado law. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorneys' fees incurred in connection with the enforcement of the lien. The Owners Association shall have the power to bid on a Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. No sale or transfer shall relieve the purchaser or transferee of a Unit from liability for, or the Unit from the lien of, any Assessments made after the sale or transfer.

4.11 **Subordination of Lien.** The lien of the Assessments provided for in this Declaration shall be subordinate to (a) the lien of real estate taxes and special governmental assessments, (b) liens and encumbrances recorded prior to the recordation of the Declaration, and (c) liens for all sums unpaid for a first mortgage of record, recorded before the date on which the assessment sought to be enforced became delinquent, except that the Owners Association claims the priority for 6 months' assessment lien as granted in the Act. The lien of the Assessments shall be superior to and prior to any homestead exemption provided now or in the future by the laws of the State of Colorado. The amount of such extinguished lien may be reallocated and assessed to all Units as a Common Expense at the direction of the Executive Board. This Section shall not prohibit any civil action to recover sums for which this Section creates a lien or prohibit the Owners Association from taking a deed in lieu of foreclosure. Sale or transfer of a Unit shall not affect the Owners Association's lien thereon, except that sale or transfer of a Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure or cancellation or forfeiture, shall only extinguish the Owners Association's lien as provided in the Act.

4.12 **Reserve Fund.** The Owners Association or Declarant shall require the first Owner of each Unit (other than Declarant) to make a nonrefundable payment to the Owners Association in an amount equal to one-sixth (1/6) of the annual Periodic Assessment against that Unit in effect at the closing thereof, which sum shall be held, without interest, by the Owners Association as a "Reserve Fund." The Reserve Fund shall be collected and transferred to the Owners Association at the time of closing of each sale by Declarant of each Unit and shall be maintained for the use and benefit of the Owners Association. Such payment shall not relieve an Owner from making regular payments of the assessments when due. Upon the transfer of his Unit, an Owner shall be entitled to a credit from his transferee for any unused portion of the working fund.

4.13 **Notice to Mortgagee.** The Owners Association may report to any Mortgagee any unpaid Assessments remaining unpaid for longer than sixty (60) days after the same shall have become due, if such Mortgagee first shall have furnished to the Owners Association written notice of the Mortgage and a request for notice of unpaid Assessments. Any Mortgagee holding a lien on a Unit may pay any unpaid Assessment payable with respect to such Unit, together with any and all costs and expenses incurred with respect to the lien, and upon such payment that Mortgagee shall have a lien on the Unit for the amounts paid with the same priority as the lien of the Mortgage.

4.14 **Statement of Status of Assessment Payment.** The Owners Association shall furnish to an Owner or such Owner's designee or to a holder of a security interest or its designee upon written request, delivered personally or by certified mail, first-class postage prepaid, return receipt, to the Owners Association's registered agent, a statement setting forth the amount of unpaid assessments currently levied against such Owner's Unit. If no statement is furnished to the Owner or holder of a security interest or their designee, delivered personally or by certified mail, first-class postage prepaid, return receipt requested, to the inquiring party, the Owners Association shall have no right to assert a priority lien upon the Unit for unpaid assessments which were due as of the date of the request.

ARTICLE V - PROPERTY USE RESTRICTIONS

5.1 **General Restriction.** Oro Grande Lodge shall be used only for the residential dwelling purposes subject to the applicable rules and regulations of all governmental authorities having jurisdiction. Permanent occupancy of any Unit shall be limited to two (2) adults or two (2) children per bedroom.

5.2 **Limited Business Activities.** Subject to all applicable governmental regulations, and in addition to residential purposes, in-home business activities or occupations not involving the provision of on-site services for customers or use of employees on-site (other than Owners) shall be allowed, provided such activities: (i) are conducted solely within the Unit, (ii) do not materially increase motor vehicle traffic on the Property, (iii) do not create any external indication of an in-home business, and (iv) do not generate any noise, smoke, dust, odors, heat or other offensive or noxious emanations on the Property. Notwithstanding the foregoing, business activities associated with the sale of Units shall be allowed.

5.3 **Construction and Alteration of Improvements.** No Owner shall construct, erect, place any structure or replace, repair, reconstruct, refinish or alter any part of the exterior of any Unit or other Improvement upon, under or above any part of the Property without the written consent of the Executive Board and compliance with the provisions of this Declaration. However, improvements and alterations which are completely within the interior of a Unit's structure may be undertaken without such approval. No window coverings or other decorations visible from outside a Unit shall be added by an Owner without the prior written approval of the Executive Board. No laundry shall be dried or hung outside any building. No towers, exterior radio, television or communication antennae or dish receivers, sheds, fences, outbuildings or other structures shall be

permitted without the prior written approval of the Executive Board. In the event of any requested addition or alteration, the Executive Board may require that the applicant (i) submit plans and specifications showing the nature, kind, shape, heights, color, materials and location of the proposed addition or alteration in sufficient detail for the Executive Board to properly review same and (ii) pay for processing and review costs, which may include any professional fees the Owners Association may incur in retaining architects or engineers to review the plans and specifications. The review by the Executive Board shall specifically consider the impact of the addition or alteration on the harmony of external design and location with surrounding structures and topography. Any approval may impose such terms and conditions as the Executive Board deems appropriate.

5.4 Subdivision or Change in Boundaries of Units. No Unit may be physically subdivided nor shall the boundaries of any Unit be altered or relocated, except as provided by the Act. A relocation of a boundary of a Unit may be approved by the Owners Association, in its sole discretion, subject the provisions of Section 5.3.

5.5 No Partition of Common Elements. The Common Elements shall be owned by the Owners Association, and no Owner shall bring any action for partition or division of the Common Elements. By acceptance of a deed or other instrument of conveyance or assignment, each Owner shall be deemed to have specifically waived such Owner's rights to commence or maintain a partition action or any other action designed to cause a division of the Common Elements. This Section may be pled as a bar to any such action. Any Owner who commences or maintains any such action shall be liable for and agrees to reimburse the Owners Association for its costs, expenses and reasonable attorney's fees in defending any such action.

5.6 Compliance With Laws. Subject to the rights of reasonable contest, each Owner shall promptly comply with the provisions of all applicable laws, regulations and ordinances with respect to the Property including, without limitation, all applicable environmental laws and regulations.

5.7 Noxious or Offensive Activity. No noxious or offensive activity shall be conducted on any Unit, nor shall anything be done, or permitted or placed on any Unit or the Property which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. No activity shall be carried on within the Property or any Unit which constitutes a public nuisance.

5.8 Prohibition of Increases in Insurable Risks. Nothing shall be done or kept on the Property or in any Unit which would result in the cancellation or reduction of insurance on all or any part of the Property or in an increase in the cost of such insurance, but for such activity, without the prior written approval of the Owners Association.

5.9 Prohibition against Damage or Waste. No damage to or waste of the Property, including any portion of the Common Elements, shall be committed by any Owner. Each Owner hereby agrees to indemnify and hold the Owners Association and the other Owners harmless against any damage or waste caused by such Owner and agrees to pay for or reimburse the Owners

Association for any and all costs and expenses resulting from any damage or waste caused by an Owner or the Owner's family, tenants, guests, pets, employees, contractors, agents, licensees and invitees.

5.10 Obstructions. No person shall obstruct or interfere with the free use of walkways, driveways, drainage structures or other Common Elements, except as may be reasonably required for repairs. The Owners Association shall take such action as may be necessary to abate or enjoin any interference with or obstruction of walkways, paths and drainage courses.

5.11 Vehicles. Not more than two (2) motor vehicles may be kept on the Property for each Unit. Each vehicle shall be registered with the Owners Association by type, year, color, license number and such other identification as is appropriate. Any vehicle changes shall be reported to the Owners Association within thirty (30) days of a change. All permitted vehicles shall be parked only on designated parking spaces. Except for a temporary period, no vehicle owned by an Owner shall be parked on a parking space designated for visitors. No guest of an Owner shall use a parking space designated for visitors for more than three (3) days without the consent of the Executive Board, which may impose a fee for such use. No trucks, recreational vehicles, motor homes, motor coaches, snowmobiles, campers, trailers, boats or boat trailers or similar vehicles (other than passenger automobiles or pickup or utility trucks with a capacity of one ton or less) or any other vehicles shall be parked, stored or kept on any portion of the Property. This restriction shall not prohibit occasional parking of commercial, service and construction vehicles, in the ordinary course of business, from making deliveries or otherwise providing service to the Property or for original construction of Units. No work on vehicles, including repairs, shall be performed on any portion of the Property, except in emergencies. Abandoned or inoperable vehicles shall not be stored or parked on any portion of the Property. An abandoned or inoperable vehicle is any vehicle which has not been driven under its own propulsion for three (3) weeks or longer and which appears incapable of operation. A written notice describing the abandoned or inoperable vehicle and requesting its removal shall be personally served upon the Owner or posted on the vehicle. If such vehicle has not been removed within 72 hours after notice is given, the Owners Association may remove the vehicle without liability and the expense of removal shall be charged against the Owner.

5.12 Animals and Pets. Subject to the prior written approval of the Owners Association, up to two (2) pets may be kept in a Unit. Each pet which is permitted by the Owners Association shall be registered with the Owners Association as to type, breed and such other identification as is appropriate. Any changes in pets shall be reported to the Owners Association within thirty (30) days of any change. Only dogs, cats and other nonexotic household pets shall be permitted. Dogs and cats shall be neutered. The type and behavior of permitted pets shall be regulated by the Owners Association Rules. Permitted pets must be kept in the interior of a Unit, shall not be kept in any manner on a deck, in a storage unit or on a parking space. Pets shall not be permitted to run at large and shall not cause any nuisance by noise or otherwise. Persons on the Property outside of a Unit who are accompanied by permitted dogs must keep such dogs under the person's direct control by use of a leash not to exceed ten (10) feet in length. Any animal waste deposited on the Common

Elements shall be immediately removed by the Owner and placed in a trash receptacle. No other animals, livestock or poultry of any kind shall be kept, raised or bred on any portion of the Property.

5.13 **Signs.** No signs of any kind shall be displayed to the public view on or from any portion of the Property except those signs approved by the Executive Board, ordinary real estate signs, business signs of Declarant or its affiliates or signs required by law.

5.14 **Unit Numbers.** Each Unit shall have an exterior identifying number with a design and location established by the Executive Board.

5.15 **Solid Waste.** No trash, ashes, garbage, rubbish, debris or other refuse shall be thrown, dumped or otherwise accumulated on the Property. There shall be no burning of refuse. Each Owner shall use the central receptacles for the temporary storage and collection of solid waste, which shall be screened from public view and protected from wind, animals and other disturbances. Each Unit shall be kept in a sanitary condition, free of offensive odors, rodent and insect infestations at the Owner's sole cost.

5.16 **Outside Grills.** Natural gas, propane, charcoal or other grills may be used only after the period of Declarant control, and then only upon the affirmative vote of the Executive Board and subject to rules and regulations adopted by the Executive Board.

5.17 **Noise.** No exterior horns, whistles, bells or other sound devices, except security devices approved in writing by the Executive Board, shall be placed or used on any portion of the Property. Owners shall not allow any noise or disturbance on their respective Units which is offensive, disturbing or otherwise detrimental to any other person.

5.18 **Lighting.** No flood lighting, security lighting or other type of high intensity lighting shall be permitted without the approval of the Executive Board.

ARTICLE VI - MAINTENANCE AND LANDSCAPING

6.1 **Owners Association's Maintenance Responsibility.** The Owners Association shall maintain and keep the Common Elements and the roofs and exterior surfaces of the Improvements and landscaping in good, clean, attractive and sanitary condition and repair consistent with the requirements of a first class residential development. Without limiting the foregoing, the Owners Association shall keep all driveways, parking areas, sidewalks and access ways free of snow, ice, dirt, debris and other obstructions.

6.2 **Owner's Maintenance Responsibility.** Except as provided otherwise in the Declaration or by written agreement with the Owners Association, all maintenance of individual Units including, without limitation, all interior surfaces, structural and nonstructural members, utility systems, utility lines from the point of departure from a shared usage, glazing, doors, patios, decks and other fixtures designed to serve a single Unit, shall be the sole responsibility of the respective

Owners. Each Owner shall maintain such Owner's Unit in a good, clean, attractive and sanitary condition and repair consistent with the requirements of a first class residential development. No Owner shall unreasonably damage the value of other Units such as by shoddy upkeep of such Owner's Unit.

6.3 **Owner's Failure to Maintain.** In the event that a Unit is not properly maintained by an Owner, then the Owners Association, after ten (10) days' prior written notice to the Owner and with the approval of the Executive Board, shall have the right to enter upon the Unit to perform such work as is reasonably required to restore the Unit and other improvements thereon to a condition of good order and repair. All unreimbursed costs shall be a lien upon the Unit until reimbursement is made. The lien may be enforced in the same manner as a lien for an unpaid assessment levied in accordance with the provisions of this Declaration.

ARTICLE VII - INSURANCE

7.1 **Owners Association's Insurance Responsibility.** The Owners Association shall maintain all insurance coverage required by the provisions of C.R.S. 38-33.3-101, et. seq., as the same may be amended from time to time, together with such other insurance as the Executive Board of the Owners Association shall deem advisable. The Owners Association may also consider, in determining the types and amount of insurance to be obtained, the then-existing requirements of any of FNMA, GNMA, FHLMC, HUD, VA, CHFA or any other governmental or quasi-governmental agency or any other public, quasi-public or private entity which performs (or may perform in the future) functions similar to those currently performed by any of such entities with respect to their insurance, guaranty or purchase of First Mortgages.

7.2 **Owners Association's Responsibility for Hazards Insurance on Units.** In supplementation of and addition to insurance required by applicable statute, the Owners Association shall obtain property insurance against damage or loss for broad form covered causes of loss for all Units to the interior surface of walls, ceilings and floors as initially constructed, in an amount equal to the full replacement value (i.e., 100 percent of the current "replacement cost" exclusive of land, foundation, excavation and other items normally excluded from coverage) and less applicable deductibles. The determination of value shall be made solely by the Owners Association based on a good faith estimate of value which need not include a written appraisal. Such policy shall include, if available, a standard form of mortgagee clause, a "Demolition Cost Endorsement" or the equivalent, an "Increase Cost of Construction Endorsement" or the equivalent and all casualty insurance policies shall have an inflation guard endorsement, if reasonably available.

7.3 **Owner's Insurance Responsibility.** Each Owner shall be responsible for all insurance coverage for all interior finishes on the walls, ceilings and floors of such Owner's Unit, together with all appliances, cabinets, plumbing and electrical fixtures and all other improvements and betterments to the Unit not insured by the Owners Association. In addition, each Owner shall be responsible for insuring all personal property within the Unit, as well as general liability insurance and any other insurance coverage deemed appropriate by such Owner.

7.4 General Provisions of Insurance Policies. All policies of insurance carried by the Owners Association will be carried in blanket policy form naming the Owners Association as insured, or its designee as trustee and attorney-in-fact for all Owners, and each Owner will be an insured person under such policies with respect to liability arising out of any Owner's membership in the Owners Association. The policy or policies will contain a standard non-contributory First Mortgagee's clause in favor of each First Mortgagee and a provision that it cannot be canceled or materially altered by either the insured or the insurance company until thirty (30) days' prior written notice thereof is given to the insured and each First Mortgagee, insurer or guarantor of a First Mortgage. The Owners Association will furnish a certified copy or duplicate original of such policy or renewal thereof, with proof of premiums payment and a certificate identifying the interest of the Owner in question, to any party in interest, including First Mortgagees, upon request. Any such Owner's policy will also contain waivers of subrogation. All policies will contain waivers of any defense based on invalidity arising from any acts or neglect of an Owner where such Owner is not acting under directions from the Owners Association.

7.5 Owners Association Insurance as Primary Coverage. If at the time of any loss under any policy which is in the name of the Owners Association, there is other insurance in the name of any Owner and such Owner's policy covers the same property or loss, or any portion thereof, as is covered by the Owners Association's policy, the Owners Association insurance policy will be the primary insurance for coverage of the loss without contribution from any other insurance. An Owner will be liable to the Owners Association for the amount of any reduction in insurance proceeds paid to the Owners Association caused by such Owner's policies of insurance, and the Owners Association may collect the amount from the Owner in the same manner as any periodic assessment. Any such Owner's policy will also contain waivers of subrogation.

ARTICLE IV - DEVELOPMENT RIGHTS AND OTHER SPECIAL DECLARANT RIGHTS

8.1 Development Rights and Special Declarant Rights. The Declarant reserves the following Development Rights and other Special Declarant Rights for the maximum time limit allowed by law:

- 8.1.1 The right to complete or make improvements for the construction of fifty (50) Condominium Units as indicated on the map;
- 8.1.2 The right to maintain a temporary sales and management office and model in a single Unit while the project is under the construction;
- 8.1.3 The right to maintain signs on the Common Elements and Units to advertise Oro Grande Lodge;

8.1.4 The right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations under the Act and this Declaration; and

8.1.5 The right to appoint or remove any officer of the Owners Association or any Director during the Declarant control period consistent with the Act.

8.2 **Limitations on Development Rights and Special Declarant Rights.** Unless sooner terminated by a recorded instrument signed by Declarant, any Development Right or Special Declarant Right may be exercised by the Declarant for the period of time specified in the Act.

8.3 **Use of Property During Construction.** It shall be expressly permissible and proper for Declarant and any person acting with the prior written consent of Declarant, and their respective employees, agents, independent contractors, successors and assigns involved in the construction of Improvements or the providing of utility service to the Property, to perform such activities and to maintain upon portions of the Property as they deem necessary, such facilities as may be reasonably required, convenient, necessary or incidental to such construction and development of the Property. This permission specifically includes, without limiting the generality of the foregoing, maintaining business offices, storage areas, construction yards and equipment, models, signs and sales offices. Declarant may perform all such work without the consent or approval of any Owner or Mortgagee.

ARTICLE IX - DAMAGE OR DESTRUCTION

9.1 **Damage to Common Elements.** In the event of damage or destruction to all or a portion of the Common Elements due to fire or other adversity or disaster, the insurance proceeds, if sufficient to reconstruct or repair the damage, will be applied by the Owners Association to such reconstruction and repair. If the insurance proceeds with respect to such Common Elements damage or destruction are insufficient to repair and reconstruct the damaged or destroyed Common Elements, the Owners Association will levy a special assessment in the aggregate amount of such insufficiency pursuant to the provisions of this Declaration and will proceed to make such repairs or reconstruction, unless the Owners and First Mortgagees agree not to repair and reconstruct such damage. No distributions of insurance proceeds will be made unless made jointly payable to the Owners and the First Mortgagees, if any, of their respective Units. The special assessment provided for hereunder will be a debt of each Owner and a lien on his Unit and may be enforced and collected in the same manner as any assessment lien provided for in the Declaration.

9.2 **Repair and Replacement.** Any portion of the Project for which insurance is required which is damaged or destroyed must be repaired or replaced promptly by the Owners Association unless:

9.2.1 The Project is terminated;

- 9.2.2 Repair or replacement would be illegal under any state or local statute or ordinance governing health or safety;
- 9.2.3 Two-thirds (2/3) of the Owners, including all Owners of Units that will not be rebuilt, vote not to rebuild; or
- 9.2.4 Prior to the conveyance of any Unit to a person other than Declarant, the holder of a Deed of Trust or Mortgage on the damaged portion of the Project rightfully demands all or a substantial part of the insurance proceeds.

ARTICLE X - CONDEMNATION

10.1 **Rights of Owners.** Whenever all or any part of the Common Elements shall be taken by any authority having power of condemnation or eminent domain or whenever all or any part of the Common Elements is conveyed in lieu of a taking under threat of condemnation by the Executive Board acting as attorney-in-fact for all Owners under instructions from any authority having the power of condemnation or eminent domain, each Owner shall be entitled to notice of the taking or conveying. The Owners Association shall act as attorney-in-fact for all Owners in the proceedings incident to the condemnation proceeding, unless otherwise prohibited by law.

10.2 **Partial Condemnation, Distribution of Award; Reconstruction.** The award made for such taking shall be payable to the Owners Association as trustee for those Owners for whom use of the Common Elements was conveyed, and the award shall be disbursed as follows:

If the taking involves a portion of the Common Elements on which improvements have been constructed, then, unless within sixty (60) days after such taking Declarant and Owners who represent at least two-thirds (2/3) of the votes of all of the Owners shall otherwise agree, the Owners Association shall restore or replace such improvements so taken on the remaining land included in the Common Elements to the extent lands are available for such restoration or replacement in accordance with plans approved by the Executive Board and the Architectural Review Committee. If such improvements are to be repaired or restored, the provisions of this Declaration on Damage or Destruction shall apply. If the taking does not involve any improvements on the Common Elements, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be distributed in equal shares per Unit among the Owners, first to the Mortgagees, if any, and then to the Owners, as their interests appear.

10.3 **Complete Condemnation.** If all of the Property is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance of condemnation, then the regime created by this Declaration shall terminate and the portion of the condemnation award attributable to the Common Elements shall be distributed as provided in that Section named Disbursement of Funds for Repair and Reconstruction above.

ARTICLE XI - MORTGAGEE'S RIGHTS

The following provisions are for the benefit of holders, insurers or guarantors of First Mortgage on Units. To the extent applicable, necessary or proper, the provisions of this Article apply to this Declaration and also to the Articles and By-laws of the Owners Association.

11.1 Approval Requirements. Unless at least two-thirds (2/3) of the Mortgagees holding First Mortgages against any portion of the Property (based on one vote for each Mortgage owned), and at least two-thirds (2/3) of the Owners (other than Declarant) have given their prior written approval, the Owners Association shall not be entitled to:

11.1.1 By act or omission seek to abandon, partition, subdivide, sell or transfer all or part of the Common Elements (provided, however, that the granting of easements for public utilities or for other public purposes consistent with the intended use of such Common Elements shall not be deemed a transfer within the meaning of this clause);

11.1.2 Change the method of determining the obligations, Assessments, dues or other charges which may be levied against an Owner.

11.2 Right to Pay Taxes and Charges. Mortgagees who hold First Mortgages against Units may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Elements and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Elements, and Mortgagees making such payments shall be owed immediate reimbursement therefor from the Owners Association.

ARTICLE XII - ENFORCEMENT OF COVENANTS

12.1 Violation Deemed a Nuisance. Every violation of this Declaration is declared and deemed to be a nuisance. All public and private remedies allowed at law or equity against anyone in violation of these Covenants shall be available.

12.2 Compliance. Each Owner and each member of an Owner's family and every guest, invitee, tenant, employee, contractor, agent and licensee of an Owner shall comply with the provisions of these Covenants as the same may be amended from time to time. Failure to comply with these Covenants shall be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Each Owner shall be responsible for the conduct of the Owner's family, tenants, employees, guests, contractors, agents, licensees and invitees whether or not the Owner is present. Each Owner shall inform all such persons of these Covenants. Any violation of these Covenants by any such person shall be deemed a violation by the Owner.

12.3 Who May Enforce. Any action to enforce these Covenants may be brought by the Declarant or the Executive Board in the name of the Owners Association on behalf of the Owners.

If, after a written request from an aggrieved Owner, neither of the foregoing entities commence an action to enforce these Covenants, then the aggrieved Owner may bring such an action.

12.4 **Enforcement.** When necessary, a violation or breach of these Covenants shall give the Declarant or the Executive Board the right, in addition to any other rights set forth therein, (a) to enter the Unit in which, or as to which, such violation or breach exists and summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein in violation of the Declaration or rules adopted by the Executive Board without being deemed guilty in any manner of trespass or any other civil or legal violation; and (b) to enjoin, abate or remedy by appropriate legal proceedings (either at law or in equity) the continuance of any such violation or breach, and with the violating or breaching Owner hereby waiving the posting of a bond upon entry of such injunction.

12.5 **Waiver or Delay in Enforcement.** No failure by the Owners Association or the Executive Board to give notice of default or any delay in enforcement of any provision or in the exercise of any right or remedy shall operate as a waiver. No waiver shall be effective unless it is in writing signed by the President or Vice President of the Executive Board on behalf of the Owners Association or by the Chairman of the Executive Board on behalf of the Executive Board.

12.6 **Nonexclusive Remedies.** All the remedies set forth herein are cumulative and not exclusive.

12.7 **Nonliability.** No member of the Executive Board, the Declarant or any Owner shall be liable to any other Owner for the failure to enforce these Covenants at any time.

12.8 **Recovery of Costs.** If legal assistance is obtained to enforce any provision of these Covenants, or in any legal proceeding (whether or not suit is brought) for damages or for the enforcement of these Covenants or the restraint of violations of these Covenants, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys' fees.

ARTICLE XIII - DURATION OF COVENANTS AND AMENDMENT

13.1 **Term.** The covenants and restrictions of this Declaration shall run with and bind the land until thirty (30) years after the date of recordation hereof, after which time they shall be automatically extended for successive periods of time of ten (10) years each, unless otherwise terminated or modified as provided herein or by the Act.

13.2 **Amendment.** This Declaration, or any provision of it, may be amended at any time by an instrument signed by Owners holding not less than two-thirds (2/3) of the votes possible to be cast under this Declaration and signed by Declarant (during the period of Declarant's control as further described in that Section named Period of Declarant's Control above) and at least fifty-one percent (51%) of the First Mortgagees (based on one vote for each First Mortgage owned. Any amendment must be executed by the President of the Owners Association and recorded, and approval

of such amendment may be shown by attaching a certificate of the Secretary of the Owners Association to the recorded instrument certifying that signatures of a sufficient number of Owners approving the amendment are on file in the office of the Owners Association. Unless a First Mortgagee provides the Secretary of the Owners Association with written notice of its objection, if any, to any proposed amendment of action outlined above within thirty (30) days following the First Mortgagee's receipt of notice of such proposed amendment or action, the First Mortgagee will be deemed conclusive to have approved the proposed amendment or action.

13.3 When Modifications Permitted. Notwithstanding the provisions of that Section named Amendment above or that Section named Revocation below, no termination, extension, modification or amendment of this Declaration made prior to the termination of Declarant's control shall be effective unless the prior written approval of Declarant is first obtained.

13.4 Revocation. This Declaration shall not be revoked, except as provided in that Article named Condemnation regarding total condemnation, without the consent of all of the Owners evidenced by a written instrument duly recorded.

ARTICLE XIV - GENERAL PROVISIONS

14.1 Severability. This Declaration, to the extent possible, shall be construed or reformed to give validity to all of its provisions. Any provision of this Declaration found to be prohibited by law or unenforceable shall be construed to be independent and shall not invalidate any other provision.

14.2 Construction. In interpreting words in the Declaration, unless the context shall otherwise provide or require, the singular shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.

14.3 Headings. The headings are included only for reference and shall not affect the meaning or interpretation of this Declaration.

14.4 Notice. All notices or requests required shall be in writing. Notice to any Owner shall be considered delivered and effective upon personal delivery, or three (3) days after posting when sent by certified mail, return receipt requested, to the address of the Owner on file in the records of the Owners Association at the time of the mailing or, if no such address is available, then to the address shown by the County Assessor. Notice to the Executive Board or the Owners Association shall be considered delivered and effective upon personal delivery, or three (3) days after posting when sent by certified mail, return receipt requested, to the Owners Association, at the address as shall be established by the Owners Association from time to time by notice to the Owners. General notices to all Owners need not be certified, but may be sent by regular first class mail.

14.5 Rule Against Perpetuities. Notwithstanding anything in this Declaration to the contrary, the creation of any interest under this Declaration shall vest, if at all, within the period of

time measured by the life of the survivor of the now living children of Declarant's undersigned managers, plus 21 years.

14.6 **Conflicts Between Documents.** In case of conflict between this Declaration and the Articles and the By-laws of the Owners Association, this Declaration shall control. In case of conflict between the Articles and the By-laws, the Articles shall control.

DECLARANT: Oro Grande Lodge Development, LLC,
 a Colorado limited liability company
 By: Great Divide Development, LLC,
 Its Manager

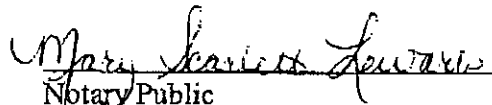
By: 
 Frederick Cooke, Manager

STATE OF COLORADO)
) ss.
 COUNTY OF ~~GARFIELD~~)
~~Summit~~

The foregoing instrument was acknowledged before me this 3rd day of August, 2001, by Frederick Cooke as Manager of Great Divide Development, LLC, as Manager of Oro Grande Lodge Development, LLC, a Colorado limited liability company, as Declarant.

WITNESS my hand and official seal.

My commission expires: 12/8/04


 Notary Public

MARY SCARLETT LEWARK
 NOTARY PUBLIC
 STATE OF COLORADO

My Commission Expires Dec. 8 2004