

Declarations, Bylaws and Rules and Regulations

Below is an unofficial text copy of the approved Declarations, Bylaws and Rules and Regulations with all amendments and additions incorporated inline.

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CONDOMINIUM DECLARATIONS OF AMERICANA CONDOMINIUMS

ARTICLE I. RECITALS

1.1 Whereas, Development Consultants of Colorado, Inc., a Colorado corporation, is the owner of certain real property (the "Land") located in the City and County of Denver, State of Colorado, described in Appendix "A" attached hereto and by this reference made a part hereof as though set forth verbatim.

1.2 Whereas certain improvements including a building containing separately designated living unit apartments have been constructed on the Land which Declarant desires to convert into condominiums under the Condominium Ownership Act of the State of Colorado, consisting of 81 such apartments.

1.3 Whereas Declarant desires to establish by this Declaration a plan for the ownership in fee simple of real property estates consisting of the area or space contained in each of the apartment units in the building improvements and common, of all the remaining real property which is hereinafter defined as referred to as the Common Elements.

1.4 Now therefore, Declarant hereby publishes and declares that the following terms, covenants, conditions, easements, restrictions, uses, limitations, and obligations shall be deemed to run with the Land and shall be a burden and a benefit to Declarant, its successors, and their assigns and to any other person or entity acquiring in any manner or owning any interest in the Land or improvements thereon and to their successors, heirs, executors, administrators, advisee, or assignee.

1.5 Declarant does hereby submit the real property and improvements described in Appendix "A" to condominium ownership pursuant to the Condominium Ownership Act of the State of Colorado.

ARTICLE II DEFINITIONS

2.1 "Declarant" means Owner recited in ARTICLE I., Paragraph 1.1 above, its successors or assigns.

2.2 "Declaration" means this Condominium Declaration, together with any supplemental or amendment thereto which has been recorded in the office of the Clerk and Recorder of the appropriate county of record (as recited in 2.16 hereinafter); State of Colorado.

2.3 "Unit" or "individual air space unit" means an individual air space which is contained within the windows, doors and finished perimeter walls, floors (or lowermost floors, if it is an individual air space unit containing more than one level) and ceilings (or the uppermost ceilings, if it is an individual air space unit containing more than one level,) of each Unit as shown on the Condominium Map to be filed for record, together with all fixtures and improvements therein contained but not including any of the common elements, if any, located within the Unit. The term "finished perimeter walls, floors and ceilings" as used herein shall not include any paint, carpeting, wallpaper, paneling, brick facing, or other wall, floor or ceiling decorator treatment.

2.4 "Map" means the Condominium Map, to be recorded in the county of record and any amendment(s) thereto, for the Condominiums consisting of a Map of the Land, a legal description thereof, a floor plan of each individual Air Space Unit within the Building, horizontal and vertical locations of boundaries of each Unit, and Unit identification numbers, together with such other information as may be included therein In the discretion of the Declarant.

2.5 "Limited Common Elements" means those parts of the common elements which are either limited to and reserved for the exclusive use of an Owner or a Condominium Unit or are limited to and reserved for the common use of more than one but fewer than all of the Condominium Unit Owners, which shall include by way of illustration and not limitation, certain heating and air conditioning units, doors, windows, balconies, storage areas and certain parking spaces, which are specifically designated as being appurtenant to a particular Unit. The term "Limited Common Element" shall also mean certain other parking and/or garage spaces and storage spaces not initially assigned by Declarant on the date of recordation hereof, but subsequently assigned by Declaration and/or the Association to the Owners of one or more Condominium Units.

2.8 "General Common Elements" means and includes the land described in Appendix "A" the structural components of the building, including but not limited to the foundations, girders, beams, supports, roofs and main walls; the yards, gardens, parking areas and storage spaces, installation of central services such as power, light, gas, hot and cold water, heating and air conditioning, the service roads, if any; such improvements and portions of the buildings and areas therein as are provided for the community use, recreation utility and common use of all Owners and all other parts of such land and the improvements thereon necessary' or convenient to its existence, maintenance and safety which are normally and reasonably in general common use, including the air above such land. General Common Elements shall include all tangible physical properties of this project except limited common elements and the Units.

2.7 "Common Elements" means and includes all of the land described in Appendix "A" and all the improvements thereto and thereon located, excluding Units. The common elements shall consist of the general common elements and limited common elements. The common elements shall be

owned, as tenants in common, by the Owners of the separate Units, each Owner of a Unit having an undivided one-eighty first (1/81) interest in such common elements as is hereinafter provided.

2.8 "Land" means the real property described in Appendix "A."

2.9 "Building" means the building containing the Condominium Units as shown on the Map.

2.10 "Condominium Unit" (herein referred to as a Condominium) means the fee simple Interest and title in and to an individual Air Space Unit together with the undivided interest, in common, in the Common Elements appurtenant to such Individual Air Space Unit.

2.11 "Owner" means any person or entity or any combination thereof, including Declarant, who holds record ownership of a Condominium; the term "Owner" shall not refer to any Mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

2.12 "Aggregate Ownership Interest" of a group of Owners means the summation of their respective percentage interests in the common elements.

2.13 "Association" means Americana Condominium Association, Inc., a Colorado corporation, its successors and assigns, organized as provided herein, and whose Articles and Bly-Laws are attached hereto identified as Appendix "B."

2.14 "Mortgagee" means any person or other entity, or any successor to the interest of such person or entity, named as the Mortgagee trust beneficiary, or creditor under any recorded mortgage, deed of trust, or other security instrument by which a Condominium or any part thereof is encumbered.

2.15 "Project" means the Land and all Buildings and other improvements located on the Land and all rights, easement, and appurtenances belonging thereto.

2.16 "County of Record" means City and County of Denver, State of Colorado.

ARTICLE III, CONDOMINIUM MAP

3.1 The Map of the Land and of the improvements thereof, shall be filed for record in the office of the Clerk and Recorder of the City and County of Denver. State of Colorado. The Map shall be filed for record prior to the conveyance of the Condominium to a Purchaser. The Map shall depict and show at least the following: The legal description of the Land and measurement thereof; the location of the Building and all other improvements built on the Land, floor plans and vertical sections; the location of the Units within the Building; the thickness of the common walls between

or separating the Units or any other portion of the Building; the location of any structural components or supporting elements of the Building; and the Unit designations.

3.2 In Interpreting the Map the existing physical boundaries of each separate Unit as constructed shall be conclusively presumed to be its boundaries.

3.3 Declarant reserves the right to amend the Map from time to time, to confirm the same according to the actual location or any of the constructed improvements and to establish, vacate, and replace outside the Building, utility easements, access road easements, and parking areas. This reserved right in Declarant shall terminate upon the sale of all of the Condominium Units within the project to third party purchasers or January 1, 1980, whichever event occurs first.

ARTICLE IV. DESCRIPTION OF CONDOMINIUM UNIT

4.1 Every contract for the sale of a Condominium Unit written prior to the recordation of the Map and this Declaration may legally describe a Condominium Unit by its identifying unit designation, followed by the words "Americana Condominiums."

The location of such Condominium Unit shall be depicted on the Map subsequently recorded. Upon recordation of the Condominium Map in the county of record, such description shall be conclusively presumed to relate to the: thereon described Condominium Units.

4.2 After the Condominium Map and this Declaration have been recorded in the office of the county of record, every contract, deed, lease, mortgage, trust deed, will or other instrument shall legally describe a Condominium Unit as follows:

Condominium Unit No. _____. Americana Condominiums in accordance with the Declaration recorded on _____, 197__, in Book ____ a: Page ____ and Condominium Map recorded on _____, 197__, in Book _____ at Page of the City and County 'of Denver Records; together, with the exclusive right to use the following limited common elements: parking space_____.

4.3 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 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 Condominium Map. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from an Owner's Unit and the use of all or the Limited Common Elements appurtenant to said Unit as well as all the General Common Elements.

ARTICLE V. NATURE OF OWNERSHIP

5.1 Division. The real property described in Appendix "A" which has been submitted to Condominium ownership, including the improvements thereon, is hereby divided into 81 fee simple estates (Condominium Units). Each such estate shall consist of a separately designated Unit and an undivided interest in and to the Common Elements appurtenant to such Unit, as designated in ARTICLE II., Section 2.7 herein. Title to each Condominium is hereby made subject to the terms and conditions hereof, which shall bind the Declarant and all subsequent Owners, whether or not it be so expressed in the deed by which any Owner acquires his Condominium Unit.

5.2 Taxation. Declarant shall give written notice to the assessor of the county of record of the creation of Condominium ownership of the Project, as is provided by law, so that each Unit and the undivided interest in the Common Elements appurtenant thereto, shall be deemed separate parcels and subject to separate assessment and taxation.

5.3 Owning Entity. A Condominium may be held and owned by more than one (1) person or entity as joint tenants or as tenant; in common or in any other form of ownership recognized under the law of the State of Colorado.

5.4 Interoperability. No part of a Unit or of the legal rights comprising ownership of a Condominium may be separated from any other part thereof during the period of Condominium ownership prescribed herein, so that each Unit and the undivided interest in the common elements appurtenant to such unit shall always be conveyed, devised, encumbered, and otherwise effected only as a complete unit. Every gift, devise, bequest, transfer, encumbrance, conveyance or other disposition of a unit or any part thereof shall be presumed to affect the entire unit together with all appurtenant rights created by law or by this Declaration.

5.5 Partition. Neither an Owner, a Group of Owners, nor the Association shall have the right to combine, divide, or partition any Unit or Units, and in taking title to any Unit the Owner thereof shall be deemed to have waived any and all rights to combine, divide, or partition. The Common Elements shall be owned in common by all of the Owners and shall remain undivided and neither an Owner, a group of Owners, nor the Association shall bring any action for partition or division of the General Common Elements. A violation of the provisions of this Section shall entitle the Association to personally collect, jointly and severally, from the parties violating the same, the actual attorney's fees, costs and other damages the Association incurs in connection therewith.

5.8 Right to Combine Condominium Units. Declarant hereby reserves the right to physically combine the area or space of one Unit with the area or space of one or more adjoining Units; provided, however, that Declarant shall not exercise said right without the written consent of any mortgagee having an interest in said Units, in the event of any such physical combining of Units to create a combined Unit, such combined Unit shall also include the combining of the fixtures and improvements and of the undivided interest in Common Elements appurtenant to the Units

so combined. Declarant reserves the right to designate and convey to any purchaser of any such combined Unit, as additional Limited Common Elements appurtenant thereto, any walls, floors or other structural separations between the Units so combined, or any space which would be occupied by such structural separations but for the combination of such Units; provided, however that such walls, floors or other structural separations or such space shall automatically become General Common Elements if the combined Units become subject to separate ownership in the future. This reserved right in Declarant shall terminate upon the sale of all of the Condominium Units within the project to third party purchasers or January 1, 1980, whichever event occurs first.

5.7 Use of Common Elements. Subject to the limitations contained in this Declaration, each Owner shall have the non-exclusive right to use and enjoy the General Common Elements and shall have the exclusive right to use and enjoy the Limited Common Elements designated for exclusive use by such Owner. There shall be no obstruction of the General Common Elements, nor shall anything be kept or stored on any part of the General Common Elements without the prior written consent of the Association, except as specifically provided herein. No restriction, impairment, or interference with any right of ingress or egress provided for in this Declaration shall be permitted at any time without the prior written consent of the Owner thereof. Regarding the General Common Elements and Limited Common Element, nothing shall be altered, constructed, or removed except upon the prior written consent of the Association.

5.8 Ingress or Egress Support. Each Owner shall have the right to ingress and egress over, upon' and across: the General Common Elements necessary for access to his Unit and to the Limited Common Elements designated for use in connection with his Unit, and shall inure the right to the horizontal and lateral support of his Unit. Such rights shall be appurtenant to and pass with the title of each Unit.

ARTICLE VI. EASEMENT

6.1 Association Use. The Association shall have a non-exclusive easement to make such use of the General Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted pursuant to this Declaration, including the right to construct and maintain in the General Common Elements maintenance and storage facilities for use by the Association or for use by the Owners of particular Units.

6.2 Access for Maintenance. Some of the Common Elements may be located within the Units or may be conveniently accessible only through the Units. The Owners of other Units shall have the irrevocable right, to be exercised by the Association as their agent, to have access to each Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the Common Elements located therein or accessible therefrom or at any time as may be necessary for making emergency repairs to prevent damage to the Common Elements or to another Unit. The Association shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit resulting from the maintenance, repair, emergency repair, or replacement of any of the

Common Elements or as a result of emergency repairs within another Unit, at the instance of the Association or of an Owner, shall be an expense of all of the Owners. However, if such damage is the result of negligence of the owner of a Unit, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Association by assessment.

6.3 Encroachments. If any part of the Common Elements encroach or shall hereinafter encroach upon a Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. If any part of a Unit encroaches or shall hereafter encroach upon the Common Elements or upon an adjoining Unit or Units, an easement for such encroachment and for the maintenance of the same shall and does exist. Such encroachments shall not be considered to be encumbrances affecting marketability of title to any Unit. Encroachments referred to herein include, but are not limited to, encroachments caused by settling, rising, or shifting of the earth or by changes in position caused by repair or reconstruction of the Project or any part thereof.

6.4 Utility Easements. The Association shall have the right to grant easements for utility purposes over, upon, across, under, or through any portion of the Common Elements, and such Owner hereby irrevocably appoints this Association as attorney-in-fact for such purpose.

6.5 Construction. Declarant, and persons it shall elect, shall have the right to ingress and egress over, upon, and across the Common Elements, the right to store materials thereon and to make such other use thereof as may be reasonably necessary incident to manage the Project.

ARTICLE VII. MECHANIC'S LIENS

7.1 No labor performed or services or materials furnished in or for a Unit with the consent of or at the request of an Owner or his agent or his contractor or subcontractor shall be the basis for the filing of a lien against the Unit of any other Owner, against any part thereof, or against any other property of any other Owner, unless such other Owner has expressly consented to or requested the same, or against the Common Elements. Such express consent shall be deemed to have been given by the Owner of any Unit in the case of emergency repairs thereto. Labor performed or services or materials furnished for the Project, if duly authorized by the association, shall be deemed to be performed or furnished with the express consent of each Owner. An Owner may remove his Unit from a lien against two (2) or more Units or any part thereof by payment to the holder of the lien of the fraction of the total sum secured by such lien which is attributable to his Unit.

ARTICLE VIII. USE OF UNITS

8.1 Residential. Each Unit shall be used for residential purposes only, and no trade or business of any kind may be carried on therein. Lease or rental of a Unit for lodging or residential purposes shall not be considered to be a violation of this covenant.

8.2 Prohibitions. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would result in the cancellation of the insurance of the Project or any part thereof or increase the rate of the insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. No operation or activity shall be permitted by an Owner or another within or upon any portion of the Project which will violate the provisions of any applicable statute, rule, ordinance, regulation, permit, or other validly imposed requirement of any governmental body or the By-Laws or the reasonable rules and regulations of the Association or any applicable protective restrictions and covenants. No damage to or waste of the Common Elements or any part thereof shall be committed by an Owner or any invitee of any Owner and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him or his invitees.

8.3 Maintenance. Each owner shall have the right and the obligation to keep the interior of his Unit, including without limitation, the personal property, permanent fixtures, appliances, and the heaters therein; the interior non-supporting walls; and the interior finished surfaces of the perimeter walls, ceilings, and floors of the Unit in a clean, sanitary, and attractive condition and in good state of repair and shall keep the Limited Common Elements designated for use in connection with his Unit in clean, sanitary, and attractive condition. The Owner shall not be responsible for lines, pipes, wires, conduits, or systems running through his Unit which serve one (1) or more other Units except as tenant in common with the other Owners. The right to repair, alter and remodel shall carry the obligation to replace any finishing or other materials removed with similar types or kinds of materials.

8.4 Structural Alterations. No structural alterations to any Unit shall be made, and no plumbing, electrical, or similar work within or upon the Common Elements shall be done by an Owner without the prior written consent of the Association. An Owner may do such work as may be appropriate to maintain and repair Limited Common Elements appurtenant to such Owner's Unit without violating this provision.

ARTICLE IX. ASSOCIATION ORGANIZATION

9.1 Membership. The Articles of Incorporation and Bylaws of the Association are attached hereto as Appendix "B." Every Owner shall be entitled and required to be a member of the Association. An Owner shall be entitled to one (1) membership for each Condominium Unit owned by him. The memberships in the Association may not be transferred except in connection with the

transfer of a Condominium Unit. However, the rights of membership may be assigned to a Mortgagee as further security for a loan secured by a lien on a Condominium Unit.

9.2 Voting Rights. The Total number of votes which may be cast by the members of the Association shall be as set forth in the Articles of Incorporation and By-Laws of the Association.

9.3 Transfer. Except as otherwise expressly stated herein, any of the rights, interest and obligations of the Association set forth herein or reserved herein may be transferred or assigned to any other person or entity; provided, however, that no such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer or assignment shall not revoke or change any of the rights or obligations of any Owners as set forth herein.

9.4 Amplification. The provisions of this Article are amplified by the Articles of Incorporation of the Association and by the by-Laws of the Association; provided, however, that no present or future provisions of such Articles of Incorporation or By-Laws shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

ARTICLE X. ASSOCIATION FUNCTIONS

10.1 Common Elements.

- a. The Association, subject to the rights of the Owners set forth in Article V hereof, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in good, clean, attractive and sanitary condition, order and repair; subject, however, to the obligations of the Owners set forth in Paragraph 8.3 hereof. The Association shall be responsible for the maintenance and repair of exterior surfaces of the buildings and other improvements located on the Project, including without limitation, the painting of the same as often as necessary, the replacement of trim caulking, and the maintenance and repair of roofs, the maintenance and repair of other common elements, including utility lines, areas for access to any automobile parking, all other improvements or materials located within or used in connection with the Common Elements. The Association shall maintain in proper, first class manner, all landscaping and natural vegetation constituting part of the Common Elements, including assuring the preservation of good visual continuity between landscaped area and natural vegetation. The specification of duties of the Association with respect to other Common Elements as set forth in the first sentence in this paragraph. The cost of such management maintenance, and repair by the Association shall be borne as provided in article XI.
- b. Except as provided in ARTICLE XIII and ARTICLE XIV herein, the Association shall not be entitled to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common elements shall not be deemed a transfer

hereunder.

10.2 Miscellaneous Services. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. In connection therewith, the Association may furnish living quarters to any such personnel. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. Any agreement for management or other services, however, shall provide for termination by either party without cause or payment of a termination fee on ninety (90) days or less written notice, and no such contract shall exceed a term of three (3) years. The Association may arrange with others to furnish electrical, gas, water, sewer, trash collection services, and other common services to each unit.

10.3 Personal Property for Common Use. The Association may acquire and hold for the use and benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such interest shall not be transferable except with the transfer of a Condominium. A transfer of a Condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium.

10.4 Rules and Regulations. The Association may make reasonable rules and regulations governing the use of the Units and of 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, assignment of particular portions of storage areas within the Common Elements for exclusive use by Owners of particular Units. The Association may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with such rules and regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such rules, regulations, or other obligations or to obtain damages for noncompliance, all to the extent permitted by law.

10.5 Implied Rights. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

10.6 Except as provided in ARTICLE XIII and ARTICLE XIV herein, the Association shall be granted all of the powers necessary to govern, manage, maintain, repair, administer and regulate the project and to perform all of the duties required of it. Notwithstanding the above, the Association shall not be empowered or entitled to:

- a. By act or omission, seek to abandon or terminate the Condominium regime.
- b. Partition or subdivide any Condominium Unit.
- c. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements.
- d. Use hazard insurance proceeds for loss to the improvements for other than the repair, replacement or reconstruction of such improvements.

10.7 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 XI. ASSOCIATION ASSESSMENTS

11.1 Agreement to Pay Assessments. Declarant, for each Condominium owned by it within the Project, hereby covenants and agrees, and each other Owner of any Condominium by the acceptance of a deed therefore, whether or not it be so expressed in the deed, shall be deemed to covenant and agree, with each other Owner and with the Association to pay to the Association periodic assessments made by the Association for the purposes provided in this Declaration and special assessments for capital improvements and other matters as provided in this Declaration. Such assessments shall be fixed, established, and collected from time to time in the manner provided in this Article.

11.2 Total Amount of the Periodic Assessments. The total of the periodic assessments against all Condominiums shall be based upon advance estimates of cash requirements by the Association to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Elements or furnishing heat, water, sewer, trash collection, and other common services when necessary to each Unit. Such estimates shall include, among other things, expenses for the following: Management, taxes and special assessments until Condominiums are separately assessed as provided herein; all insurance which the Association is required or permitted to maintain pursuant hereto; landscaping and care of grounds; common lighting and heating; water service, trash collection, sewer service; repairs and maintenance; Association employee wages; legal and accounting fees; any deficit remaining from a previous period; the creation of reasonable contingency, reserve surplus, or sinking funds; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration. Notwithstanding the foregoing, the

Association 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 fund shall be funded through the monthly payments of the common expense assessments and not by extraordinary special assessments.

11.3 Apportionment of Periodic Assessments. Such total of the periodic assessments as determined under the preceding paragraph shall be apportioned among all Owners in proportion to their respective interests in the Common Elements as calculated and set forth in ARTICLE II, Section 2.7 herein.

11.4 Notice of Periodic Assessments and Time for Payment Thereof. The Association shall make the periodic assessments, which assessments shall be annually, quarterly, or monthly as the Association shall from time to time determine. The Association may, in its discretion, allow assessments to be paid in installments. Written notice of assessments shall be given to each Owner, which notice shall specify the amount of the assessment and the date or dates of payment of the same. No payment shall be due less than fifteen (15) days after the said written notice has been given. Each periodic assessment shall bear interest at the rate of eight (8) percent per annum from the date it becomes due and payable if not paid within thirty (30) days after such date. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of any Condominium for such assessment, but the date when payment shall become due in such case shall be deferred to a date fifteen (15) days after such notice shall have been given.

11.5 Special Assessments for Capital Improvements. In Addition to the periodic assessments authorized by this article, the Association may levy at any time a special assessment, payable over such period as the Association may determine, for the purpose of defraying in whole or in part, the cost of any construction or reconstruction, expected repair or replacement of the Project of any part thereof, or for any other expense incurred or to be incurred as provided in this declaration. This paragraph shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other provisions hereof. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to the interest in the Common Elements owned by each. Notice in writing of the amount of such special assessments and the time for payment thereof 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. A special assessment shall bear interest at the rate of eight (8) percent per annum from the date it becomes due and payable in not paid within thirty (30) days after such date.

11.6 Liens for Assessments.

- a. All sums assessed to any Condominium pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Condominium in favor of the Association upon recordation of the notice of assessment as herein provided. Such lien shall be superior to all other liens and encumbrances on such Condominium

except for: valid tax and special assessment liens on the Condominium in favor of any governmental assessing authority; a lien for all sums unpaid to any Mortgagee with prior recorded lien, including all unpaid obligatory advances to be made pursuant to such mortgage and all amounts advanced pursuant to such mortgage and secured by the lien thereof in accordance with the terms of such instrument; and labor or materialmen's liens, to the extent required by law. All other lienors acquiring liens on any Condominiums after this Declaration shall have been recorded shall be deemed to consent that such liens shall be inferior liens to future liens for assessment as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

- b. To create a lien for sums assessed pursuant to this Article, the Association shall prepare a written notice of assessment setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the record Owner of the Condominium and a description of the Condominium. Such a notice shall be signed by the Association and shall be recorded in the office of the Clerk and Recorder of the county of record. No notice of assessment shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by sale of the Condominium by the association after failure of the Owner to pay such assessment in accordance with its terms, such sale to be conducted in the manner permitted by law in Colorado for the exercise of power of sale in deeds of trust or in any other manner permitted by law. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of assessment and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Condominium which shall become due during the period of foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.
- c. A further notice stating the satisfaction and release of any such lien shall be executed by the Association and properly recorded in the county of record upon payment of all sums secured by a lien which has been made the subject of a recorded notice of assessment.
- d. Any encumbrancer holding a lien on a Condominium may pay, but shall not be required to pay, any amounts secured by the lien created by this Paragraph 11.6, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.
- e. The Association shall report to any encumbrancer of a Condominium any unpaid assessment or other default remaining unpaid or uncured for longer than sixty (60) days after the same shall have become due; provided, however, that such encumbrancer first shall have furnished to the Association written notice of such encumbrancer. The Association shall also furnish any Mortgagee notice, in writing, of any loss to, or taking of, the Common elements if such loss or taking exceeds Ten Thousand Dollars (\$10,000.00) or damage to a Unit (on which a mortgage exists) exceeds One Thousand Dollars (\$1,000.00).
- f. Unless sooner satisfied and released or the endorsement thereof initiated, as provided earlier in this Paragraph 11.6, any lien created pursuant thereto shall expire and be of no

further force or effect one (1) year from the date of recordation of such lien and may be extended by the Association for not to exceed one (1) additional year by a written extension signed by the Association and recorded in the office of the Clerk and Recorder of the county of record, prior to expiration of said first on (1) year period.

11.7 Personal Obligation of Owner. The amount of any periodic or special assessment against any Condominium shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation may be maintained by the Association without foreclosing or waiving the lien securing the same. No Owner may avoid or diminish such personal obligation by waiver of the use and enjoyment of any of the Common Elements or by abandonment of his Unit.

11.8 Statement of Account. Upon payment of a Thirty-Five Dollar (\$35.00) fee and upon written request of any Owner, Mortgagee, prospective Mortgagee, or prospective purchaser of a Condominium, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to such condominium the amount of the current periodic assessment and the date that such assessment becomes or became due, credit for advanced payments or prepaid items, including, but not limited to, an Owner's share of prepaid insurance premiums, which statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Where a prospective purchaser makes such request, both the lien for such unpaid assessments and the personal obligation of the purchaser shall be released automatically if the statement is not furnished within a twenty (20) day period and if thereafter and additional written request is made by such purchaser and is not complied with within ten (10) days and if the purchaser subsequently acquires the Unit. Upon five (5) days written notice by Owner, Mortgagee, bona fide prospective purchaser or prospective Mortgagee shall have the right to examine the books and records of the Association at its registered office.

11.9 Subject to the provisions of Paragraph 11.8, a purchaser of a condominium Unit, except for any first mortgagee who comes into possession of a Condominium Unit pursuant to the remedies provided in its mortgage, or becomes an Owner of a Condominium Unit pursuant to foreclosure of its mortgage or by the taking of a deed in lieu thereof, shall be jointly and severally liable with his seller for all unpaid assessments against his Condominium which were incurred prior to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from his seller the amount paid by the purchaser for such assessment.

ARTICLE XII. INSURANCE

12.1 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 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 mortgagee 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 mortgages or the mortgagor from collecting insurance proceeds. The types of coverages to be obtained and risks to be covered are as follows, to wit:

- a. Fire Insurance with extended coverage and all risk endorsements, which endorsement 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, thereunder, shall be payable to the Association for the use and benefit of mortgages as their interest may appear.
- b. 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.
- c. Public liability and property damage insurance in such limits as the Association may from time to time determine, but in an amount not less than \$500,000.00 per injury, per person, per occurrence and umbrella liability limits of at least \$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."
- d. 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.
- e. 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.
- f. 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.

12.2 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 mortgages. Duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all mortgages at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in the name of the Association 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 mortgage.

12.3 Prior to obtaining any policy of fire insurance or renewal thereof, 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 coinsurance 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.

12.4 Unit Owners may carry other insurance for their benefit and at their expense, provided that all such policies shall contain waivers of subrogation, and provided further that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

12.5 Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of personal or other property belonging to an Owner and public liability coverage within each Unit shall be the sole and direct responsibility of the Unit Owner thereof, and the Association and/or the Managing Agent shall have no responsibility therefore.

12.6 In the event that there shall be any damage or destruction to, or loss to the Unit which exceeds \$1,000.00 or any damage or destruction to, or loss to the Common Elements which exceed \$10,000.00, the 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 XIII. DAMAGE OR DESTRUCTION

13.1 Association as Agent. All of the Owners irrevocably constitute and appoint the Association their true and lawful attorney-in-fact in their name, place and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute such appointment.

13.2 General Authority of Association. As attorney-in-fact the Association shall have full and complete authorization, right, and power to make, execute, and deliver any contract, deed, or other instrument with respect to the interest of an Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs mean restoring the Project to substantially the same condition in which it existed prior to damage, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless the Owners and all Mortgagees unanimously agree not to rebuild in accordance with the provisions set forth hereinafter. In the event any Mortgagee should not agree to rebuild in accordance with the provisions set forth hereinafter. In the event any Mortgagee should not agree not to rebuild, the Association shall have the option to purchase such mortgage by payment in full of the amount secured thereby if the Owners are in unanimous agreement not to rebuild. The Association shall obtain the funds for such purpose by special assessments under ARTICLE XI of this Declaration.

13.3 Estimate of Costs. As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Association shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the Project damaged or destroyed.

13.4 Repair or Reconstruction. As soon as practicable after receiving these estimates the Association shall diligently pursue to completion the repair or reconstruction of that part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney-in-fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans and specifications of the Project or may be in accordance with any other plans and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than five (5) percent from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications, and the location of the Building or other improvements shall be substantially the same as prior to damage or destruction.

13.5 Funds for Reconstruction. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association,

pursuant to ARTICLE XI hereof, may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

13.6 Disbursement of Funds for Repair or Reconstruction. The insurance proceeds held by the Association and the amounts received from the assessments provided for in Paragraph 13.5 constitute a fund for the payment of cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions by each Owner pursuant to the assessment by the Association under Paragraph 13.5 of this Declaration.

13.7 Declaration Not to Rebuild. If all Owners and all Mortgagees agree not to rebuild, as provided herein, the Project shall be sold and the proceeds distributed in the same manner herein provided in the event of sale of obsolete Units, as set forth in Paragraph 14.4.

ARTICLE XIV. OBSOLESCENCE

14.1 Plan for Renewal and Reconstruction. Owners of seventy-five percent (75%) or more of the Condominiums may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction, which plan shall have the unanimous approval of all Mortgagees of record at the time of the adoption of such plan. Written notice of adoption of such a plan shall be given to all Owners. Such plan shall be recorded in the county of record, real estate records.

14.2 Payment for Renewal and Reconstruction. The expense of renewal or reconstruction shall be payable by all of the Owners as assessments against their respective Condominiums. These assessments shall be levied in advance pursuant to ARTICLE XI hereof and shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction. In the event amounts collected pursuant to this paragraph are in excess, such excess shall be returned to the Owners by the Association by a distribution to each Owner in an amount proportionate to the respective amount collected from each such Owner.

14.3 Dissents from the Plan. An Owner not a party to such a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen (15) days after the recordation of such plan. The Association shall then give written advice of such dissents to all the Owners within five (5) days after the expiration of such fifteen (15) day period. Within fifteen (15) days of receipt of such notice from the Association, Owners of twenty-six percent (26%) or more of the Condominiums may cancel the plan by written instrument recorded in the county of record, real estate records. If the plan is not cancelled, then the Condominium of each dissenter shall be purchased according to the following procedures: if the Owner and the Association can agree on

the fair market value thereof, then such sale and conveyance shall be completed within sixty (60) days thereafter. If the parties are unable to agree, the date when either party notifies the other than he or it is unable to agree with the other shall be the "commencing date" from which all periods of time mentioned herein shall be measured. Within ten (10) days following the commencing date each party shall nominate a qualified appraiser by written nomination and shall give notice of such nomination to the other. If either party fails to make such nomination, the appraiser nominated shall, within five (5) days after default by the other party appoint and associate with him another qualified appraiser. If the two (2) appraisers designated by the parties, or selected pursuant hereto in the event of default of one (1) party, are unable to agree, they shall appoint another qualified appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two (2) qualified appraisers, and from the names of the four (4) persons so nominated, one (1) shall be drawn by lot, and the person whose name is so drawn shall be the umpire. The nominations from among which the name of the umpire is to be drawn by lot shall be submitted within ten (10) days after the failure of the two (2) appraisers to agree, which, in any event shall not be later than twenty (20) days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, the decision of such umpire shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the Owner. The sale shall be consummated within sixty (60) days after decision of the appraisers, and the Association as attorney-in-fact shall disburse the proceeds in the same manner as provided below in Paragraph 14.4. The obligation of the Association to make such purchase shall be conditioned on the fair market value of the Condominium exceeding the obligations secured by liens on such Condominiums, and upon the marketability of the title of the Owner. Owner shall furnish the Association an appropriate abstract of title or commitment for title insurance evidencing marketability of his title not less than fifteen (15) days prior to the date set for completion of the sale. The Association, pursuant to ARTICLE XI hereof, may levy a special assessment sufficient to provide funds to pay for the Condominiums of the dissenters, provided that such assessments shall not apply to any of the Owners who are among the dissenters and shall not be liens against the Condominiums of such Owners.

14.4 Sale of Obsolete Project. Owners of seventy-five percent (75%) or more of the Condominiums may agree that the Condominiums are obsolete and that the Project should be sold. Such an agreement must have the unanimous approval of every Mortgagee of record at the time such agreement is made. In such instance the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association the Project shall be sold by the Association as attorney-in-fact for all of the Owners free and clear of the provisions contained in this Declaration, the plat, and the Association Articles and Bylaws. The sale proceeds shall be apportioned among the Owners in proportion to the respective interests of the Owners in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one (1) Condominium. Each such account shall remain in the name of the Owner. From each separate account the Association, as attorney-in-fact, shall use and disburse the total amount of such accounts without contribution

from one (1) account to the other, first to Mortgagee and other lienors in the order of priority of their mortgages and other liens and the balance remaining to each respective Owner.

ARTICLE XV. CONDEMNATION

15.1 Consequences of Condemnation. If at any time or times during the continuance of ownership pursuant to this declaration, all or any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions shall apply:

15.2 Proceeds. All compensation, damages, or other proceeds there from the sum of which is hereinafter called the "condemnation Award," shall be payable to the association for the benefit of the Owner or Owners damaged and disbursed as provided in Paragraphs 15.3 or 15.4.

15.3 Complete Taking. In the event that the entire project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners in proportion to the respective interests of the Owners in the Common Elements, provided, that if a standard different from the value of the Project as a whole is employed to measure the Condemnation Award in the negotiation, judicial decree, or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable. On the basis of the principle set forth in the preceding sentence, the Association shall as soon as practicable determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Paragraph 14.4 of this Declaration.

15.4 Partial Taking. In the event that less than the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the Condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association shall reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds, and shall apportion the amounts so allocated among the Owners as follows: (a) the total amount allocated to taking of or injury to the Common Elements shall be apportioned equally among Owners, (b) the total amount allocated to severance damages shall be apportioned to those Units which were not taken or condemned, (c) the respective amounts allocated to the taking of or injury to a particular Unit and/or improvements as Owner has made within his own Unit shall be apportioned to the particular Unit involved, and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocation the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be made in the same manner provided in Paragraph 14.4 of this Declaration.

15.5 In the event a partial taking results in the taking of a complete Unit, the Owner thereof shall automatically 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 assessments ratio in accordance with the same principles employed in the Declaration at its inception and shall submit such reallocation to the Owners and first mortgages of the remaining Units for amendment of this Declaration in accordance with the provisions of ARTICLE XVI.

ARTICLE XVI. AMENDMENT OR REVOCATION

16.1 This Declaration shall not be revoked unless all of the Owners and all of the Mortgagees unanimously consent and agree to such revocation by instruments duly recorded.

16.2 This Declaration shall not be amended unless the Owners of seventy-five percent (75%) or more of the Condominiums and all Mortgagees consent and agree to such amendment by instrument(s) duly recorded. Any such amendment shall be binding upon every Owner and every Condominium whether the burdens thereon are increased or decreased by any such amendment and whether or not the Owner or each and every Condominium consents thereto.

ARTICLE XVIII. GENERAL RESERVATIONS

- a. Declarant reserves the right to establish easements, reservations, exceptions and exclusions consistent with the ownership of the Condominium Project and for the best interest of all the Condominium Unit Owners, including the Declarant, in order to serve the entire Condominium Project. This reserved right in Declarant shall terminate upon the sale of all of the Condominium Units within the project to third party purchasers of January 1, 1980, whichever event occurs first.
- b. Notwithstanding any other provisions expressed or implied to the contrary contained in this Declaration, the ARTICLES of Incorporation or By-Laws of the Association, Declarant reserves the right to exercise the rights, duties and functions of the Board of Directors of the Association until all of the Condominium Units have been sold and deeds passed to all purchasers. This reserved right in Declarant shall terminate upon the sale of all of the Condominium Units within the project to third party purchasers of January 1, 1980, whichever event occurs first.

ARTICLE XIX. TITLE SUBJECT TO DECLARANT'S RESERVATION

Title to and ownership of each Condominium Unit is expressly subject to the General Reservations set forth in ARTICLE XVIII.

ARTICLE XX. MISCELLANEOUS

20.1 Enforcement. Each Owner shall comply with the provisions of this Declaration, the Articles of Incorporation and the By-Laws of the Association, as such documents may be lawfully amended from time to time, and with the decisions and resolutions of the Association adopted pursuant thereto. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Association on behalf of the Owners, or, in a proper case, by an aggrieved Owner.

20.2 Registration of Mailing Address. Each Owner shall register his mailing address with the Association, and all notices or demands intended to be served upon any Owner shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the By-Laws of the Association. All notices or demands to be served on Mortgagees pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee at such address as the Mortgagee may have furnished to the Association in writing. Unless the mortgagee furnishes the Association such address, the Mortgagee shall be entitled to receive none of the notices provided for in this Declaration. Any notice referred to in this paragraph shall be deemed given when deposited in the United States mail in the form provided for in this paragraph.

20.3 Transfer of Declarant's Rights. Any right or any interest reserved hereby to the Declarant may be transferred or assigned by the Declarant either separately or with one (1) or more of such rights or interests, to any person or entity.

20.4 Owner's Obligations Continue. All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he may have leased or rented his Condominium, but an Owner shall have no obligation for expenses of other obligations accruing after he conveys such Condominium.

20.5 Number and Gender. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

20.6 Severability. If any of the provisions of this Declaration or any clause, paragraph, sentence, phrase, or word of the application thereof in any circumstances be invalidated, such invalidity shall not affect the validity of the remainder of the declarations, and the application of any such provision, paragraph, sentence, clause, phrase, or word in any other circumstances shall not be affected thereby.

BY-LAWS OF AMERICANA CONDOMINIUM ASSOCIATION, INC.

ARTICLE I. PLAN OF CONDOMINIUM OWNERSHIP

Section 1. Condominium Ownership. The project located at 1121 Albion Street, Denver, Colorado, known as Americana Condominiums is submitted pursuant to the provisions of C.R.S 1973, as amended, Section 38-33-101 et seq.

Section 2. By-Laws Applicability. The provisions of these By-Laws are applicable to the Project. (The term "Project" as used herein shall include the Land.)

Section 3. Personal Application. All present or future Owners, tenants, future tenants, or their employees, or any other person that might use the facilities of the Project in any manner, are subject to the regulations set forth in these By-Laws.

The mere acquisition or rental of any of the Condominium Units (hereinafter referred to as "Units") of the Project or the mere act of occupancy of any of said Units will signify that these By-Laws are accepted, ratified, and will be compiled with.

ARTICLE II. VOTING MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Voting shall be on a percentage basis and the percentage of the vote to which the Owner is entitled is: one/81st (1/81) or one (1) vote per unit. Each vote may be divided in event a Unit is held in joint tenancy or other multiple ownership.

Section 2. Majority of Owners. As used in these By-Laws, the term "Majority of Owners" shall mean those Owners holding fifty-one percent (51%) or more of the votes.

Section 3. Quorum. (Amended 2002) Except as otherwise required by these Bylaws, the Articles of Incorporation of the Declaration, the presence in person or by proxy of Owners entitled to vote more than 25 percent of the total votes of the Owners shall constitute a quorum. At any meeting of the Owners, if a quorum is present, the affirmative vote of a majority of the votes represented at the meeting, in person or in proxy, shall be the act of the Owners, unless the vote of the greater proportion or number is required by law, the Articles of Incorporation, the Declaration or these Bylaws. If a quorum is not present at a meeting of the Owners, a majority vote of the

Owners so represented at the meeting may adjourn the meeting from time to time without further notice, for a period not to exceed 120 days for any one adjournment.

Section 4. (Amended May 9, 2006) Owner Meeting Proxies, Votes and Ballots. Votes may be case in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

- a. Proxies are not valid if obtained through fraud;
- b. The association may reject votes, ballots, or proxies if the person tabulating votes has reasonable basis to doubt their validity;
- c. The person who rejects a vote, ballot, or proxy is not subject to damages;
- d. All actions of the Association regarding such rejections are valid unless a court determines otherwise;
- e. On any motion before the meeting; if one member requests a secret ballot, then the vote on the motion shall be by secret ballot.

ARTICLE III. ADMINISTRATION

Section 1. Association responsibilities. The Owners of the Units which constitute the Association of Owners (hereinafter referred to as "Association") who will have the responsibility of administering the Project, approving the annual budget, establishing and collecting monthly assessments and arranging for the management of the Project pursuant to an agreement containing provisions relating to the duties, obligations, removal and compensation of any management agent. Except as otherwise provided, decisions and resolutions of the Association shall require approval by a Majority of Owners.

Section 2. Place of Meeting. Meetings of the Association shall be held in the principal office of the Project or such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 3. (Amended 2002) Annual Meeting. Thereafter, the annual meeting of the Owners shall be held at a time designated by the Board in the month of November in each year, or at such other date designated by the Board, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors or upon a petition signed by a majority of the Owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No Business shall be transacted at the special meeting except as stated in the notice unless by consent of sixty-six and six tenths percent (66.6%) or more of the Owners present, either in person or by proxy.

Section 5. (Amended May 9, 2006) Notice of Meeting.

- a. Written or printed notice of any meeting of the Owners, stating the place, day, and hour of the meeting, and the purpose or purposes for which the meeting is called, shall be delivered personally or by mail to each Owner entitled to vote at such meeting not less than 10 and no more than 50 days before the date of the meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the owner at his address as it appears in the office of the Association, with postage thereon prepaid. For the purpose of determining Owners entitled to notice of or to vote at any meeting of the Owners, the Board may set a record date for such determination of Owners, in accordance with the laws of the State of Colorado.
- b. In addition to first class mail or hand delivery, notices of member/owner meetings shall be provided as follows: The Association will post notices on its website when the website is available and email owners who request email notice at the email addresses they provide to the Association. Notices of meetings of members/owners will be physically posted in a conspicuous place, if feasible.

Section 6. (Amended 2002) Adjourned Meetings/Informal Action by Owners

- A. Adjourned Meetings. Any Owner's meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by a majority vote of the Owners, either in present or represented by proxy, but in the absence of a quorum, no other business may be transacted at such meeting. When any Owner's meeting, either annual or special, is adjourned for 120 days or more, or if a new record date is set for the adjourned meeting, notice of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it will not be necessary to give any notice of any adjournment or of the business to be transacted at an adjourned meeting, other than by announcement at the meeting at which said adjournment is taken.
- B. Actions by Written Consent. Any action required or permitted to be taken at a meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a Majority of Owners entitled to vote with respect to the subject matter thereof. Such consent shall have the same force and effect as an affirmative vote of the Majority of Owners.

Section 7. (Amended May 9, 2006) Conduct of Meetings of Members

Order of Business. The order of business at all meetings of the Association members is as follows:

- a. Roll Call (or check-in procedure) of members attending in person and by proxy;
- b. Proof of notice of meeting;
- c. Determination of quorum;
- d. Reading of minutes of preceding meeting
- e. Reports of officers
- f. Report of committees
- g. Establish number and terms of membership on the Board (when there is an election)
- h. Selection of inspectors of election or tellers (when there is an election)

- i. Election of Directors to serve on the Board (when there is an election) (by secret ballot if more candidates are running than there are vacancies on the Board);
- j. Unfinished business
- k. New business

ARTICLE IV. BOARD OF DIRECTORS

Section 1. Number and Qualifications. The affairs of the Association shall be governed by a Board of Directors composed of five (5) persons, all of whom must be Owners of Units in the Project.

Section 2. Powers and Duties. The Board of Directors shall have the power and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the Owners.

Section 3. Other Duties. In addition to duties imposed by these Bylaws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- a. Care, upkeep and surveillance of the project and the common areas and facilities and the limited common areas and facilities.
- b. Collection of monthly assessments from the Owners
- c. Designation and dismissal of the personnel necessary for the maintenance and operation of the Project, the common areas and the facilities and the limited common areas and facilities.
- d. Use, occupancy and rental value of any "Limited Common Elements" set aside and reserved on the Condominium Map as manager's(s'), assistant manager's(s') or guest(s) apartment(s).

Section 4. Management Agent. The Board of Directors may employ for the Association a Management Agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. The Management Agent shall have the authority to designate and remove personnel necessary for the operation, maintenance, repair and replacement of the common elements. Such management agent may be furnished with a manager's apartment which shall have been designated as a "Limited Common Element" and which shall be used as the Board, from time to time, shall determine. When used as a manager's apartment, the rental value thereof shall constitute income to the management agent occupying same.

Section 5. Election and Term of Office. At the first annual meeting of the Association the term of office of two (2) Directors shall be fixed for one (1) year. The term of office of three (3) Directors shall be fixed at two (2) years. At the expiration of the initial term of office of each respective Director, his or her successor shall be elected to serve a term of two (2) years. The Directors shall hold office until their successors have been elected and held their first meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 7. Removal of Directors. At any regular or special meeting duly called, any one (1) or more of the Directors may be removed with or without cause by a majority of the Owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

Section 8. Organizational Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, providing a majority of the whole Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Board of Directors Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Association.

Section 14. (Added May 9, 2006) Open Meetings. Meetings of the Association members (sometimes referred to as owners) and the Board are open to all members of the Association or to any person designated in writing by the Association member as the member's representative, subject to such reasonable restrictions for cause on voting, such as an Association member's failure to pay assessments, as may be stated in the governing documents.

- a. Association members or their representatives are allowed to listen to Board meetings and are allowed to speak before the Board takes formal action on an item under discussion, at the designated time in the Board meeting agenda, in accordance with reasonable time restrictions set by the Board.
- b. Association members shall not interrupt or participate in the Board's deliberations during the actual Board meeting among the members of the Board (sometimes referred to as Directors).
- c. The Board may hold an executive or closed-door session and may restrict attendance to Board members and such other persons requested by the Board during a regular or specially announced meeting or part thereof. The matters to be discussed at such an executive session shall include only the matters enumerated in the following subparagraphs:
 - i. Matters pertaining to employees of the Association or the managing agent's contract or involving the employment, promotion, discipline, or dismissal of an officer, agent, or employee of the Association;
 - ii. Consultation with legal counsel concerning disputes that the subject of pending or imminent court proceedings or matters that are privileged or confidential between attorney and client;
 - iii. Investigative proceedings concerning possible or actual criminal misconduct;
 - iv. Matters subject to specific constitutional, statutory, or judicially imposed requirements protecting particular proceedings or matters from public disclosure;
 - v. Any matter the disclosure of which would constitute an unwarranted invasion of individual privacy.
 - vi. Review of or discussion relating to any written or oral communication from legal counsel.
- d. Prior to the time the members of the Board or any committee thereof convene in executive session, the chair of the body shall announce the general matter of discussion as enumerated in subparagraphs a. to f. above.
- e. No rule or regulation of the Board or any committee shall be adopted during an executive session. A rule or regulation may be validly adopted only during a regular or Special meeting or after the body goes back into regular session following an executive session.
- f. The minutes of all meetings at which an executive session was held shall indicate that an executive session was held and the general subject matter of the executive session.

Section 15. (Added May 9, 2006) Conduct of Board Meetings.

The Order of Business of Board meetings is as follows:

- a. Roll call of Board members attending;
- b. Proof of notice of meeting;
- c. Determination of quorum;
- d. Reading of minutes of preceding meeting;
- e. Election of officers (when required);
- f. Members/owners forum and comments on agenda items (with reasonable time limits and allocation of spokespersons, as determined by the presiding officer of the Board)
- g. Reports of officers;
- h. Report of managing agent;
- i. Unfinished business;
- j. New business.

Section 16. (Added May 9, 2006) Board - Conflicts of Interest

If any contract, decision, or other action taken by or on behalf of the Board would financially benefit any member of the Board or any person who is a parent, grandparent, spouse, child, or sibling of a member of the Board or a parent or spouse of any of these persons, that member of the Board shall declare a conflict of interest for that issue. The member of the Board shall declare the conflict of interest in an open meeting, prior to any discussion or action on that issue. After making such declaration, the member of the Board may participate in the discussion but shall not vote on that issue. Any contract entered into in violation of this Bylaw provision is void and unenforceable.

ARTICLE V. OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, a Secretary, and a Treasurer, all of whom shall be elected by and from the Board of Directors. The Directors may appoint an assistant treasurer and an assistant secretary, and such other officers as in their judgement may be necessary. The officers of the Treasury and Secretary may be filled by the same person. The President, and Vice President, of the Association must be members of the Board of Directors of the Association.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the Board of Directors any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called by such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among the Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all the meetings of the Board of Directors and the minutes of all meetings of the Association, he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the officers of Secretary.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts to all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE VI. OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All Owners are obligated to pay monthly assessments imposed by the Association to meet all Project communal expenses, which may include a liability insurance policy premium and an insurance premium policy to cover the repair and reconstruction work in case of fire or other hazard. The assessments shall be made according to ARTICLE XI of the Declarations. Such assessments shall include monthly payments to a General Operating Reserve and a Reserve Fund for Replacement as required.

Section 2. Maintenance and Repair.

- a. Every Owner must perform promptly all maintenance and repair work within his own Unit, which if omitted would affect the Project in its entirety or in part belonging to other Owners, being expressly responsible for the damage and liabilities that his failure to do so may engender.
- b. All the repairs of internal installations of the Unit such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, lamps and all other accessories belonging to the Unit area shall be at the Owner's expense.
- c. An Owner shall reimburse the Association for any expenditures incurred in repairing or replacing any common or limited common element facility damaged through his fault.

Section 3. Use of Family Units - Internal Changes

- a. All Units shall be utilized for residential purposes only.
- b. (Amended 2002) Except as otherwise expressly provided in the Declaration, an Owner of the Unit may not make any improvements or alteration to a Common Element or any improvement or alteration to his or her Unit that affects, or that may affect, any Common Element or any other Unit, without the prior written consent of the Association. Any Owner that desires to make an improvement or alteration which would require the Association's approval pursuant to this Section shall request the approval of the Association in writing ("Approval Application"), which Approval Application shall be accompanied by such supporting documentation (including, but not limited to, plans and specifications) as the Association may reasonably require. If the Association, after having received the Approval Application, does not respond to such Approval Application, within 30 days after its submission to the Association, then such Approval Application shall be deemed to have been disapproved by the Association.

Section 4. Right of Entry.

- a. An Owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors or the Association in case of an emergency originating or threatening his Unit, whether the Owner is present at the time or not.
- b. An Owner shall permit other owners, or their representatives, when so required, to enter his Unit for the purpose of performing installations, alterations or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner. In case of emergency, such right of entry shall be immediate.

Section 5. Rules of Conduct

- a. No Resident of the Project shall post any advertisement, or posters of any kind in or on the Project except as authorized by the Association.
- b. Residents shall exercise extreme care about making noise or the use of musical instruments, radios, televisions and amplifiers that may disturb other residents.
- c. Small domestic pets may be kept by residents.
- d. It is prohibited to throw garbage or trash outside the disposal installations provided for such purposes in the service areas.
- e. No Owner, resident or lessee shall install wiring or electrical or telephone installation, television antenna, machines or air conditioning units, etc., on the exterior of the Project or that protrude through the walls or the roof of the Project except as authorized by the Association.

ARTICLE VII. GENERAL

- a. Redacted 2002

- b. (Amended 2002) The Board shall use reasonable efforts to, no less than 30 days and no more than 90 days prior to the beginning of any fiscal year of the Association, estimate, establish, and adopt a budget for the ensuing fiscal year of the Association for the total of all Common Expenses and shall establish the amount of the regular annual assessment applicable to each Unit for the ensuing fiscal year in accordance with such budget. If the Board fails to adopt a budget, the budget for the preceding year shall remain in effect until a new budget is adopted. Within 30 days after the adoption of any proposed budget for the Association, the Board shall mail, by ordinary first-class mail, or otherwise deliver, a summary of the budget to all Owners and shall set a date for a meeting of the Owners to consider ratification of the budget not less than 14 nor more than 60 days after mailing or other delivery of the summary. Unless at that meeting not less than 67% of the Owners of the Units in attendance at the meeting, in person or by proxy, reject the budget, the budget shall be considered ratified, whether or not a quorum is present. In the event that the proposed budget is either delayed in its adoption or rejected by the Owners pursuant to this subparagraph, the periodic budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent budget proposed by the Board; provided, however, that in such interim period prior to the adoption of a new budget, the Board of Directors may increase the periodic budget on each January 1 by the percentage increase in the Consumer Price Index published immediately prior to such January 1st date by the Bureau of Labor Statistics of the United States Department of Labor, U.S. City Average, All Urban Consumers (1982-1984=100), for the Denver Metropolitan Area.
- c. (Amended 2002) In the event that the Board of Directors determines that it is in the best interest of the Association to levy a special assessment in order to meet increased operating or maintenance expenses or costs, or additional capital expenses, the Board of Directors shall call a Special Meeting for the purpose of approving such Special Assessment. Notwithstanding anything to the contrary, contained elsewhere in these By-Laws, at a Special Meeting called for the purpose of approving a Special Assessment, a Majority of Owners, in person or by proxy, shall constitute a quorum for action on at such Special Meeting. At such Special Meeting called for the purpose of approving a Special Assessment, if a quorum is present, the affirmative vote of a majority of the votes represented at the Special Meeting, in person or by proxy, shall be the act of the Owners. In addition: (i) if any Common Expense is caused by misconduct of any Owner, the Association may assess that expense exclusively against such Owner as a special assessment without the need for approval as set forth in this subparagraph "c", and/or (ii) if any expense is incurred by the Association because of emergencies, the Association may levy a special assessment to pay for such emergency expenses without the need for approval as set forth in this subparagraph "c".
- d. Redacted 2002
- e. Other than mechanics liens, assessment liens, or tax liens, no additional liens shall be obtained against the general or limited common elements existing in which the unit owner has a percentage ownership.

- f. (Amended 2002) Reasonable restrictions on and requirements respecting the use and maintenance of the units and the use of the general and limited common elements, designed to prevent unreasonable interference
- g. (Amended 2002) Other than budgeted or emergency expenses or special assessments, no additional fees shall be charged for the major recreational facilities in the Project—that is, the swimming pool and the game/party room; except, the Board of Directors may impose reasonable charges for private rental.
- h. It is not anticipated that there will be new additions of general or limited common elements to be constructed.
- i. These By-Laws are subject to all provisions and restrictions contained in the Condominium Declaration of Americana Condominiums. In case any of these By-Laws conflict with the provisions of said Condominium Declarations, it is agreed the Declarations will apply.

Article VIII. Amendments to By-Laws (Amended 2002)

Section 1. By The Board of Directors : Except as limited by law, the Articles, the Declaration or these By-Laws, the Board shall have power to make, amend, and repeal the By-Laws of the Association at any regular meeting of the Board. If, however, the Owners shall make, amend, or repeal any By-Law, the Directors shall not thereafter amend the same in such manner as to defeat or impair the object of the Owners in taking such action.

Section 2. By The Owners: Subject to any rights conferred upon First Mortgages in the Declaration, the Owners may, by the vote of the holders of at least 51 percent of the votes of the Owners, unless a greater percentage is expressly required by law, the Articles, the Declaration or these By-Laws, make, alter, amend, or repeal the By-Laws of the Association at any annual meeting or at any special meeting called for that purpose at which a quorum shall be represented.

ARTICLE IX. MORTGAGEE (Amended 2002)

Notice to Association. An Owner who mortgages or encumbers his Unit, shall notify the Association through the management agent, if any, or the President of the Board of Directors in the event there is no management agent, the name and address of this mortgagee and the Association shall maintain such information in its records.

ARTICLE X. COMPLIANCE

These By-Laws are set forth to comply with the requirements of Colorado law. In such case any of these By-Laws conflict with the provisions of said statutes, it is hereby agreed and accepted that the provisions of the statutes will apply. It is specifically understood that these By-Laws are subject to the Condominium Declarations of Americana Condominiums and, in the event of a conflict, the provisions of the Condominium Declarations shall apply.

ARTICLE XI. STATEMENT OF CORPORATE STRUCTURE

The Americana Condominium Association, Inc. is a Colorado corporation not for profit.

ARTICLE XII. POWERS AND OBLIGATIONS OF ASSOCIATION

It shall be the duty and responsibility of the Association, acting through its Board of Directors or their agents, to carry out the intent and purpose of each of the provisions of Americana Condominium Declaration filed of record and to which the ownership and use of each unit is made subject.

In addition to other provisions the Board shall:

- a. Allow the inspection of its records of receipts and expenditures pursuant to C.R.S. 38-33-107 (1973) by Owners or their mortgagees during regular business hours and the Board shall furnish a statement of account upon ten (10) days' notice accompanied by a Thirty-five Dollar (\$35.00) fee.
- b. Estimate the amount of the budget.
- c. State the manner of assessing and collecting the fees.
- d. Redacted 2002
- e. Redacted 2002
- f. State any assessments, debts, or other obligations assumed by any Unit Owner.
- g. State the existence of any mechanic's liens against any general or limited common elements.
- h. State the availability of any recreational facilities, fees, if any and regulations, if any, for the use of such facilities.
- i. State any proposal to create any additions to general or limited common elements; the effect of such creation of any Unit Owner's interest therein and expense thereby imposed.
- j. (Amended 2002) Each Owner shall comply with all the provisions of the Declaration, the Articles and the By-Laws, and the decisions, rules, regulations, and resolutions of the Association adopted pursuant thereto, as the same may be amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, together with costs of suit and reasonable attorney's fees, incurred by the Association, or in a proper case, by an aggrieved Owner.

RULES AND REGULATIONS

THE ASSOCIATION HAS ADOPTED AND ESTABLISHED THESE RULES AND REGULATIONS TO HELP MAINTAIN THE COMMUNITY AS A PRIME RESIDENTIAL PLACE

TO LIVE AND A PLACE TO BE PROUD TO LIVE IN. ANY VIOLATION OF THE FOLLOWING RULES AND REGULATIONS WILL RESULT IN ACTION BEING TAKEN AS SET FORTH IN THE ENFORCEMENT SECTION.

SECTION I. ADMINISTRATION AND OPERATIONS (Replaced Aug. 2017)

A. TENANTS

Owners are responsible for actions of their tenants and their guests. Any violation and therefore, any charges or fees associated with such violation, shall be the responsibility and liability of the Owner of the Unit in which the tenant lives, or to which the guest or invitee was visiting.

1. A unit may be leased to a Tenant. A formal Lease Agreement must be drawn up for this purpose and a copy furnished to the Association through the Management Company within ten (10) days of execution.
2. A short-term rentals all allowed for owners who become licensed per Denver regulations. Owners are required to notify the Board and Management Company of the intent to use the unit as a short term rental and provide occupant contact information. The owner is liable for all rules violations, associated fines, and damages that occur to the common elements from the occupant.
3. All pertinent information (phone numbers, etc.) must be furnished to the Association for emergency purposes.

B. PETS

1. Pets shall be carried or be on a hand-held leash.
2. Pets shall not be leashed to any object on the Limited or General Common Elements, inside or outside the building.
3. Owners are responsible for any property damage, injury, or disturbances caused by such pets.
4. Pets shall not be permitted to bark, howl, or make other loud noises for such a time as to disturb others.
5. Pets shall not be permitted to urinate or defecate inside or outside of the building, including but not limited to the Limited or General Common Elements.
6. Urination or defecation of Pets within the Limited or General Common Elements must be immediately cleaned or fined \$100 in addition to any professional cleaning fees incurred.
7. Pets unleashed and/or no tags are subject to removal by Animal Control.
8. Any violation of the items listed in this section (B. Pets) may be grounds for immediate removal of the pet(s) from the property plus the penalties as listed herein. (Note: All City of Denver ordinances pertaining to animals must be complied with.)

C. TRASH

1. It is prohibited to throw trash or garbage anywhere outside the disposal installations provided for such purposes. All trash and garbage must be placed in provided receptacles. (Note: Please do not let your trash spill out of the receptacles/dumpsters onto the ground. If you see trash lying on the ground, please place in the provided receptacles.)

2. No trash or any discarded items such as furniture, books, computers, etc. shall be placed in or on any Limited or General Common Elements, including but not limited to: the laundry room, mail room, hallways, stairwells, Function Room, and the parking area.

D. USES OF LIMITED AND GENERAL COMMON ELEMENTS

1. Smoking is prohibited in all interior Limited and General Common Elements and within 15 feet of the entryway, stairwell, and rooftop doors.
2. Private property including, but not limited to, toys, tools, laundry, bikes, etc., may not be left unattended in the Limited or General Common Elements. Property left unattended may be discarded.
3. No exterior decorating, except as herein described, shall be done to any Unit, nor shall any change be made to the doors or windows without written approval of the Association. Door decorations are allowed, but must be limited to 18 square inches, and must be approved by the Association. Holiday decorations will be allowed, but must be removed within 30 days of the holiday.
4. No Unit doors, stairwell doors, or entry doors to the building shall be propped open.
5. No signs or placards of any type shall be posted on the Limited or General Common Element. All postings are to be kept in the Bulletin Board located on the first floor.
6. Nothing shall be altered, constructed, or removed except upon the prior written consent of the Association.
7. There shall be no obstruction of the General Common Elements, nor shall anything be kept or stored on any part of the General Common Elements without prior written consent of the Association.
8. An Owner shall grant the right of entry to the management agent or to any other person authorized by the Board of Directors of the Association in case of an emergency originating or threatening his/her Unit, as determined by the Association or its duly authorized agent, whether the Owner is present at the time or not.
9. The Association must be able to have access to all limited and General Common Elements, some of which may only be accessed through an Owner's Unit. Therefore, the Association must have emergency access keys to each Unit. Failure to comply may result in damage to Units during an emergency situation. (Note: emergency access keys are locked in a locked box on site.)
10. Each Owner shall have the right and obligation to keep the Limited and Common Elements designated for use in connection with his/her Unit in clean, sanitary, and attractive condition.
11. Bicycles are not to be placed in any hallway, left unlocked, or locked on any of the General Common Elements.
12. Any vandalism shall be dealt with by the appropriate authority and shall be a violation of the Rules and Regulations.

E. UNIT MODIFICATION

1. No Owner, resident, or lessee shall install wiring or electrical or telephone installation, television antenna, machines, or air conditioning units, etc., on the exterior of the Project or that protrude through the walls or the roof of the Project except as authorized by the Association.
2. Vents within the kitchen and bathroom(s) cannot be covered as they facilitate airflow through the building. Contact building management if your vents are not pulling.

3. Washer and Dryers are prohibited as the drains are not capable of handling the increased water flow.
4. Bathroom fans are not permitted as they affect the building airflow and push smells into other units.
5. Cooktop hoods with fans cannot be connected into the building vents as they will affect the building airflow.

F. BALCONIES

1. Balconies are limited common elements and are subject to the rules in Section D.
2. Smoking is permitted on non-enclosed balconies with unit doors closed.
3. Electric and 1 pound liquid propane (LP) gas grills are permitted on non-enclosed balconies per Denver Fire Code. Up to 2 additional 1 pound LP gas containers may be stored on balconies.
4. Sweeping debris or water off of balconies is prohibited.
5. Throwing items off balconies including cigarette butts is prohibited.
6. Hot tubs are not permitted.
7. Do not hang garments, towels, rugs, plants, etc., from the balcony railings. A retractable clothesline is permitted.
8. Balcony Paint must be Association approved color only.
9. No new balcony enclosures will be permitted to be installed after June 1, 2017. Balcony enclosures existing as of June 1, 2017, are grandfathered. Current enclosure must be maintained and kept in good repair by the unit owner. Current enclosures in violation of City codes or found to be interfering with or damaging limited or general common elements shall be subject for removal or corrective modification at the expense of the unit owner.

G. SHOPPING CARTS

1. Shopping carts must be returned to the basement immediately after use.
2. Carts may not be left in units or in hallways.

H. SMOKE DETECTORS

1. Residents are responsible for the maintenance and testing of their smoke detectors.
2. Smoke detectors are required in all units per Denver Fire Code.

I. NUISANCES

1. Residents shall not cause nuisance, offense, intrusion or trespass into neighboring units by odor, vapor, or similar activity that causes injury or disruption to residents of neighboring units.
2. Owners and occupants shall exercise reasonable care to avoid making or permitting to be made, loud, disturbing, or objectionable noises and in using or playing, or permitting to be used or played, musical instruments or devices in such a manner as may disturb or tend to disturb Owners or occupants of other Units.
3. No construction, moving of large household items into or within a unit, or use of Limited or General Common Elements so as to create a disturbance, are allowed between the hours of:
 - 8:00 p.m. to 8:00 a.m. Monday through Friday
 - 8:00 p.m. to 9:00 a.m. Saturday, Sunday, and Holidays.

J. LAUNDRY

1. Laundry facilities are for the use of the Americana residents only.
2. Items must be promptly removed from machines and the laundry room. Items left for an extended period of time will be discarded.
3. All users of the machines must do the following:
 1. Use only high efficiency laundry soap.
 2. Clean dryer lint filters after each use
 3. Wipe up all spills.
4. All signs posted in the laundry area must be followed at all times.
5. Please notify onsite maintenance of any problems with the machinery.

K. FUNCTION ROOM

1. The Function Room is available for private parties of the Americana residents and Owners only.
2. The function must be scheduled 72 hours in advance with building maintenance.
3. A \$50.00 rental fee (non-refundable), and a \$100.00 damage deposit are required to rent the Function Room. Each must be a separate check.
4. The resident must be in attendance at the function at all times.
5. The function and music must be contained in the Function Room at all times.
6. Functions are limited to 40 people.
7. Functions may be canceled at any time at the discretion of the Association, its agent or employees for disturbing other residents by volume (whether music or otherwise), by functions not contained in the Function Room, by exceeding people limitations, by resident not in attendance, or by complaints from any owner.
8. After the function is complete and an inspection of the Function Room reveals no damage, the \$100.00 deposit will be returned. The \$100.00 deposit in no way limits the potential liability of the Owner. In the event that damages exceed the \$100.00 deposit, the check will be deposited and the Owner will be invoiced the appropriate amount. If an Owner has not made payment within 30 days, the invoiced amount shall be treated as an Assessment under the Delinquency Procedure as stated herein.
9. The Function Room is available until 10:00 p.m. Sunday through Thursday, and until 12:00 a.m. Friday and Saturday.
10. The fireplace shall not be used.

L. ROOF

Do to liability issues regarding river rock on the new roof, and for the longevity of the roof, it is necessary that no one walk on the rocks, throws or kicks rocks, or in way disturbs the rocks on the roof. There is now over 2000 square feet of pavers on the roof that residents can responsibly enjoy.

To ensure the safe use of the roof, the Association requires the rules listed be followed.

1. Roof access can be attained by residents by signing an agreement with the Association that residents will follow the rules listed in the agreement and be responsible for any guests that accompany them.
2. With the signing of the agreement tenants will be issued a key to the roof. A \$50 key fee will be collected at that time.

3. Any violation of the rules of the agreement will result in a fine to be determined by the Board of Directors and the loss of any roof privileges. The procedure for determining fines and tenant rights will be followed in such situations. See NOTICE FOR POSSIBLE VIOLATIONS AND FINES BY ASSOCIATION.
4. On certain occasions, such as the firework displays around the 4th of July and New Year's, the roof shall be opened to the residents and their guests. All rules, or course, apply.

M. SWIMMING POOL

1. The swimming pool is for use by the Americana Owners, residents, and their guests (only when accompanied by a resident).
2. Proper swimming attire is required at all times. No cutoffs and/or denim clothing is allowed.
3. There is no lifeguard on duty. All persons swim at their own risk. Persons 17 years of age or younger must be accompanied by an adult at all times while in the pool area.
4. Pets are not permitted in the pool area at any time.
5. No glass containers are allowed in the pool area. No food or drink may be served or consumed within three (3) feet of the pool.
6. Smoking is not permitted in the pool area.
7. Pool furniture may not be removed from the pool area.
8. Pool hours are from 6:00 a.m. to 10 p.m.
9. All signs posted in the pool area must be followed at all times.
10. Tenants will be issued a pool key upon request. A \$50 key fee will be collected at that time.

N. MOVING

1. Homeowners and renters are required to notify building management in advance of all moves and/or deliveries to ensure proper filing of dates and time of elevator use.
 1. Large-scale moves: Hours permitted for scheduling large-scale moves (e.g., moving a complete or partial household of goods/furnishings) are 9:00 a.m. to 6:00 p.m., Monday through Friday. Large-scale moves are not permitted on weekends in consideration of the limitations that come with having one elevator. Saturday moves will be considered under special circumstances only.
 2. Small-scale moves/deliveries: Hours permitted for scheduling small-scale moves/deliveries (e.g., moving a small number of household goods/furnishings, furniture deliveries) are 8:00 a.m. to 6:00 p.m., Monday through Friday. Small-scale moves/deliveries are possible on Saturdays with advance notice to and approval from the building management.
2. Moves are only scheduled between 9.00 a.m. and 6:00 p.m. Monday through Friday, and 9:00 a.m. and 6:00 p.m. on Saturday for small moves only.
3. The north elevator shall never be used for moving. The south elevator may be used for moving only when the pads have been installed.
4. Building management will not open doors for moving into the building or a Unit.
5. Exterior door must not be propped open without resident supervision.
6. All moving boxes must be crushed and/or flattened before being disposed of in the dumpster.

7. All hallways and stairwells must be kept clear at all times. At no time are boxes or furniture to be left in the Limited or General Common Elements.
8. All large-scale moves, whether into or out of the building, require 72-hour notice to building management, with a \$100.00 deposit, and a \$25.00 dollar elevator key deposit. Each must be a separate check.
9. After the large-scale move is complete, elevator key returned, and an inspection of the General Common Elements reveals no damage, all deposits will be returned. The \$100.00 deposit in no way limits the potential liability of the Owner. In the event that damages exceed the \$100.00 deposit, the check will be deposited, and the Owner will be invoiced the appropriate amount. This invoiced amount shall be treated as an Assessment under the Delinquency Procedure as stated herein.
10. No unauthorized moves will be allowed. Any unauthorized moves, which includes using the north elevator, will be fined \$100.00 to the Owner on first occurrence, \$250 on the second occurrence, and \$500 thereafter. Additionally Residents will also be charged for any damage, additional rule violations, or service calls incurred as a result of the unauthorized move. Residents renting their unit are encouraged to include this as part of their deposit.

O. BUILDING ACCESS

1. Upon move-in, move-out, phone number change, name change, or addition to the entry system, please contact the Management Office.
2. Owners and Residents shall not allow solicitors or strangers into the building.
3. Fobs and keys can be purchased for access into the building for a fee of \$50 per item.

P. WATER SHUT-OFF

1. All water shut-off require 72-hour notice to the building management to allow for notice to other residents.
2. Water shut-off can only occur between 9.00 a.m. and 5:00 p.m. Monday through Friday.

Q. PARKING

1. All designated parking spaces are Limited Common Element and subject to the rules in Section D. However, all designated parking spaces are also given exclusive use to an Owner. Therefore, it is the responsibility of the Owner of a Unit to deal with illegally parked vehicles in their designated parking spaces.
2. Only vehicles may be parked in designated parking spaces.
3. All vehicles parked in designated parking spaces must be operable and have current plates.
4. No maintenance of vehicles is allowed on site.
5. The use of a parking space may be leased to another Resident. A formal Lease Agreement must be drawn up for this purpose and a copy furnished to the Association within ten (10) days of execution.
6. The 15-minute parking zone in front of the building must be adhered to. Any vehicles left over 15 minutes are subject to ticketing and/or towing by the Denver Police Department. The only exceptions are moving and contractor vehicles.
7. Guest Parking Spaces are not to be used by Residents of the Americana.

8. Guest Parking is reserved for building management use from 6:00 a.m. to 5:00 p.m. Monday through Friday.
9. All guests parking in the Guest Parking Space outside of the above hours must register upon entry into the building. Vehicles not registered, parked longer than 2 hours, or parked during reserved times will be towed at the vehicle owner's expense

R. STORAGE

1. All designated storage units are Limited Common Element. However, all designated storage units are also given exclusive use to an Owner. Therefore, it is the responsibility of the Owner of the Unit to maintain their storage units.
2. No volatile, hazardous, flammable, or illegal material may be stored in a storage unit.
3. No items may be stored outside a storage unit.
4. The use of a storage unit may be leased to another Resident. A formal Lease Agreement must be drawn up for this purpose and a copy furnished to the Association within ten (10) days of execution.
5. The security of each individual storage unit is the responsibility of its owner.

SECTION II. ENFORCEMENT

These Rules and Regulations are enforceable by the Association.

- A. The Association may suspend any Owner's voting rights during any period or periods during which the Owner fails to comply under these Rules & Regulations. See Condominium Declaration Article X, Section 10.4 Rules and Regulations
- B. Any complaints against violators of any violation of the Rules and Regulations shall be submitted to the Association in writing stating the nature of the violation, date, time, location, name(s), of the accused and all pertinent facts needed to support the complaint(s). For intangible violation (noise, etc.) two (2) written complaints from two (2) different owners must be received before action will be taken.
- C. (Amended May 9, 2006) The Association shall be diligent in the enforcement of the governing documents consisting of the Declaration, articles of incorporation, bylaws, and rules. Some formal resolutions of the Board and resolutions of the members, maintained in the minutes of the Association, may be considered governing documents. As stated in the governing documents, reasonable enforcement is intended to maintain the values of all the units in the community and to make the community a desirable place to live. The objective of the Association is to be fair, firm, and consistent, in its enforcement.
- D. (Amended May 9, 2006) Regardless of the language of the governing documents, Senate Bill 05-100 states and the governing documents are superseded by the following:
 1. Owners may display on their property, in their windows, or on the balconies adjoining their units American flags of no larger than 4 feet by 6 feet and install flagpoles of no greater height than 12 feet.
 2. Owner(s) may display on the inside the unit's window or door a service flag (sometimes called blue star or gold star banner) of no more than 20 inches by 30 inches indicating the military service of a member of the owner's immediate family during a time of war or armed conflict.

3. Owner(s) may display one political sign on the owner's sole property or in the unit's window for each contested election and ballot issue from 45 days before through 7 days after election up to the size and number of signs allowed by the local municipal or county ordinance. If there is no such ordinance, each sign shall be no larger than 36 inches by 48 inches.
 4. A member of a volunteer fire department, and owner(s) whose emergency service provider employer (defined in C.R.S. § 29-11-101 (1.6)) requires such vehicle access, may park an emergency vehicle bearing an official emblem and weighing less than 10,000 pounds on the common interest community when it does not bar emergency access or other owners' reasonable use of streets.
- E. (Amended May 9, 2006) In the normal course of the Association's business, the Board will supervise those acting on behalf of the Association to communicate with the owners so that owners are aware of their responsibilities and the standards of behavior in the community. The communication will reasonably use such means as the Association's website (if in existence), newsletters, correspondence, email broadcast messages, and postings in areas of the community frequented by the owners to advise owners of agenda items in regular and special Board meetings. The Association will encourage any continuing developer, real estate agents, and title insurance companies to provide full packages of applicable governing documents to all new owners in the community.
- F. If an owner or resident of the community apparently violates any of the governing documents (other than the requirement to pay assessments), the Association will promptly give notice to the owner (and resident, if a different person) of the "apparent violation and request prompt compliance. The Association will set deadlines for compliance in accordance with its governing documents and the urgency of the situation.
- G. If the owner (and resident, if applicable) fails to comply, then the Association may enforce the governing documents by any direct Association remedy of the violation provided in the governing documents and by bringing appropriate legal or injunctive action in court against the violating parties. In such enforcement actions, the Association will seek to recover all of its costs of enforcement, including direct costs to the Association charged by agents, court costs, and costs of enforcement and collection, including attorney fees.
- H. In a proper instance, the Association may consider a fine against the owner and/or resident, after proper notice, the opportunity to be heard, and hearing before the Board on each and every fine. The Association will comply with following:
- I. Fines are levied on a case-by-case basis by the Board of Directors to assist in the enforcement of the Declaration of Covenants, articles of incorporation, bylaws, rules and regulations, and other governing documents of the Association.

Finning Procedure for owner's or resident's violation of Association governing documents:

First Notice	Written Warning (two weeks to respond or comply from date of notice)
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- Second Notice Notice of Hearing before Board. Advise that Board may levy up to a \$50.00 fine.
- Third Notice Notice of Hearing before Board. Advise that Board may levy up to a \$100.00 fine.
- Fourth Notice Association attorney gives notice of impending legal action for any and all remedies under the governing documents, including collection of fines as assessments under the Declaration and the Colorado Common Interest Ownership Act.

In its sole discretion, the Board may cease the fining process and take other appropriate legal or injunctive action. The Association shall provide proper notice and the opportunity to be heard at a specific Board hearing, at a set time, date, and location specified in the notice (sample form of notice letter for violation of a section of the Declaration follows as Exhibit A and is made a part hereof by this reference), If the Board assesses a fine, the fine shall be posted to the appropriate owner's ledger as an amount payable in the same manner as periodic or special assessments, with all the same Association remedies as provided for collection-of assessments in the Association's governing documents.

All fines, charges, and fees under these Rules and Regulations shall be treated the same as an assessment including appropriate late payment charges.

SECTION III. ASSESSMENT COLLECTION RULE

(Replaced February 2016)

It is in the best interest of the Association to refer delinquent accounts to an attorney for collection so as to minimize the Association's loss of assessment revenue. The Board of Directors has retained an attorney with experience in representing homeowners associations in collections and other matters. The Association hereby gives notice of its adoption of the following policies and procedures for the collection of assessments and other charges of the Association:

1. **Due Dates.** The monthly installments of the annual assessment as determined by the Association and as allowed for in the Declaration shall be due and payable on the first (1st) day of each month. Assessments or other charges not paid in full to the Association by the due date shall be considered past due and delinquent. Assessments or other charges not paid in full within 30 days of the due date shall incur late fees and interest as provided below. In the event notice of acceleration is given to delinquent Owners(s), the Owner(s) of the unit shall also be charged any costs incurred by the Association in giving notice of such acceleration.
2. **Receipt Date.** The Association shall post payments within five (5) days of the payment being received by the Association or the Association's bank.

3. Late Charges and Delinquent Installments. The Association shall impose on a monthly basis a \$25.00 late charge for each Owner who fails to timely pay his/her monthly installment of the annual assessment within 30 days of the due date. This late charge shall be a "common expense" for each delinquent Owner. The Association shall impose interest from the date due at the rate of eight percent (8%) per annum on the amount owed for each Owner who fails to timely pay their monthly installment of the annual assessment within 30 days of the due date.

4. Personal Obligation for Late Charges. The late charge shall be the personal obligation of the Owner(s) of the unit for which such assessment or installment is unpaid. All late charges shall be due and payable immediately, without notice, in the manner as set forth herein for payment of assessments.

5. Returned Check Charges. In addition to any and all charges imposed under the Declaration, Articles of Incorporation, Bylaws and Rules and Regulations of the Association or this Resolution, a reasonable fee, not to exceed \$20.00, shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including but not limited to insufficient funds. This returned check charge shall be a "common expense" for each Owner who tenders payment by check or other instrument which is not honored by the bank upon which it is drawn. Such returned check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the unit for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations or this Resolution after the date adopted as shown above. If two (2) or more of an Owner's checks are returned unpaid by the bank within any [fiscal] year, the Association may require that all of the Owner's future payments, for a period of one (1) year, be made by certified check or money order. This returned check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be past due if full payment of the monthly installment of the annual assessment is not timely made within 30 days of the due date.

6. Service Fees. In the event the Association incurs any type of service fee, regardless of what it is called by its management company, for the handling and processing of delinquent accounts on a per account basis, such fees will be the responsibility of the Owner as such fee would not be incurred but for the delinquency of the Owner.

7. Attorney Fees on Delinquent Accounts. As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of assessments or other charges due to the Association from a delinquent Owner. The reasonable attorney fees incurred by the Association shall be due and payable immediately when incurred, upon demand.

8. Treatment of Payments.

(a) All payments received on account of any Owner or the Owner's property (hereinafter collectively "Owner"), shall be applied to payment of any and all legal fees and costs (including attorney fees), expenses of enforcement and collection, late charges, returned check charges, lien fees and other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles of Incorporation, Bylaws, Rules and Regulations or this Resolution prior to application of the payment to any special or regular assessments due or to become due with respect to such Owner.

(b) All sums collected on a delinquent account that has been turned over to the Association's attorney shall be remitted to the Association's attorney until the account is brought current.

9. Collection Process.

(a) After an installment of an annual assessment or other charges due to the Association becomes more than 30 days delinquent, the manager shall send a written notice ("First Notice"), of non-payment, amount past due, notice that interest and late fees have accrued and request for immediate payment. The First Notice may be featured on a regular paper statement, if applicable.

(b) If an installment of an annual assessment or other charges due to the Association becomes more than 60 days delinquent, the manager shall send a second, stand-alone written notice ("Second Notice") of non-payment, amount past due, copy of Owner ledger, notice that interest and late fees have accrued, notice that a lien could be filed, notice that Owner has 30 days in which to address the situation as to avoid Owner account being sent to collections attorney and request immediate payment. This Second Notice will also offer a payment plan of six (6) months duration to include all past due assessments, current assessments and any applicable interest or fees, in equal installments.

(c) If an installment of an annual assessment or other charges due to the Association becomes more than 90 days delinquent, and Owner has not entered into the payment plan offered in the Second Notice or otherwise satisfactorily sought resolution of delinquency, the manager shall file a lien and turn the account over to the Association's attorney for collection. Upon receiving the delinquent account, the Association's attorney

shall send a letter to the delinquent Owner demanding immediate payment for past due assessments or other charges due. Upon further review, the Association's attorney may file a lawsuit. If a judgment or decree is obtained, including without limitation a foreclosure action, such judgment or decree shall include reasonable attorney fees together with the cost of the action and any applicable interest or late fees.

10. Acceleration and Deceleration of Assessments. The Board reserves the right to accelerate and call due the entire unpaid annual assessment on any delinquent account following the conclusion of any six (6) month payment plan, as set forth herein. Such acceleration shall result in the entire unpaid annual assessment being due to the Association immediately. The Board also reserves the right to decelerate any accelerated assessment.

11. Collection Procedures/Time Frames. The following time frames shall be followed for use in the collection of monthly installments of the annual assessment and other charges:

Due Date (date payment due)	First (1 st) day of the month due
First Notice (notice that the late charges and interest have accrued)	30 days after due date
Second Notice (payment plan, to include all past due assessments, current assessments and any applicable interest or fees, of equal installments over six (6) months offered; copy of Owner ledger sent; notice that a lien could be filed; notice that Owner has 30 days in which to address the situation as to avoid Owner account being sent to collections attorney)	60 days after due date
Third Notice (delinquent account turned over to Association's collections attorney; lien filed; demand letter sent to owner)	90 days after due date

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12. Certificate of Status of Assessment. In addition to providing a copy of Owner ledger with the Second Notice, the Association shall furnish to an Owner or such Owner's designee upon written request, first class postage prepaid, return receipt, to the Association's agent, a written statement setting forth the amount of unpaid assessments currently levied against such Owner's property for a \$35.00 fee. However, if the account has been turned over to the Association's attorney, such request may be handled through the attorney.

13. Bankruptcies and Foreclosures. Upon receipt of any notice of a bankruptcy filing by an Owner, the Association shall halt all collections proceedings in accordance with all applicable federal or bankruptcy law. Upon receipt of a notice of a foreclosure by any holder of an encumbrance against any unit within the Association, the manager shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

14. Use of Certified Mail/Regular Mail. In the event the Association shall cause a collection or demand letter or notices to be sent to a delinquent Owner by regular mail, the association may also cause, but shall not be required to send, an additional copy of that letter or notice by certified mail.

15. Referral of Delinquent Accounts to Attorney. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred. After an account has been referred to an attorney, the account shall remain with the attorney until the account is settled, has a balance of zero or is written off. The attorney, in consultation with the Association, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:

- a. Filing of a suit against the delinquent Owner for a money judgment;
- b. Instituting a judicial foreclosure action of the Association's lien;
- c. Filing necessary claims, documents and motions in bankruptcy court in order to protect the Association's interests; and
- d. Filing a court action seeking appointment of a receiver.

All payment plans involving accounts referred to an attorney for collection shall be set up and monitored through the attorney. In addition, a \$25.00 fee will be imposed upon an Owner to cover the costs of the Association's referral of Owner's account to attorney. This fee shall be due and payable immediately, upon demand.

16. Appointment of a Receiver. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court, who manages the rental of the property, collects the rent and disburses the rents

according to the court's order. The purpose of a receivership for the Association is to obtain payment of current assessments, reduce past due assessments and prevent the waste and deterioration of the property.

17. Rental Interception. The Association may, without court order, notify the tenant of any unit where the Owner is delinquent in the payment of assessments pursuant to the Declaration and Colorado law, that rents shall be paid to the Association effective immediately and continue until such time as the Owner's account is current. Such notice shall be in writing to the tenant and the Owner. All funds received by the Association from the tenant shall be credited to the Owner's account when Owner's assessments become current.

18. Judicial Foreclosure. The Association may choose to foreclose on its lien in lieu of or in addition to suing an Owner for a money judgment. The purpose of foreclosing is to obtain payment of all assessments owing in situations where either a money judgment lawsuit has been or is likely to be unsuccessful or other circumstances favor such action.

19. Waivers. The Association is hereby authorized to extend the time for the filing of lawsuits and liens, or to otherwise modify the procedures contained herein, as the Association shall determine appropriate under the circumstances.

20. Communication with Owners. Prior to referring Owner account to attorney, all communication with Owner regarding their delinquency will be in writing. All communication with a delinquent Owner shall be handled through the Association's attorney once a matter has been referred to the attorney. Neither the manager nor any member of the Board of Directors shall discuss the collection of the account directly with an Owner after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

21. Defenses. Failure of the Association to comply with any provision in this Policy shall not be deemed a defense to payment of assessment fees or other charges, late charges, returned check charges, attorney fees and/or costs as described and imposed by this Policy.

22. Credit Report. In the event an Owner becomes delinquent in the payment of assessments pursuant to the Declaration and Colorado law, the Owner acknowledges and agrees that the Association may cause a credit report to be pulled via an agent, in order to facilitate the collection of unpaid assessments.

23. Supplement to Law. The provisions of this Resolution shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Project.

24. Deviations. The Board may deviate from the procedures set forth in this Resolution if in its sole discretion such deviation is reasonable under the circumstances.

25. Amendment. This Policy may be amended from time to time by the Board of Directors.

SECTION IV. PROCEDURE FOR ADOPTING AND AMENDING RULES.

(Added May 9, 2006; [Updated February 2016])

- A. After due consideration, the Board will draft or cause to be drafted proposed rules and/or amendments of rules ("proposed rules") for the Board's proposed rule-making.
- B. The Board will cause notice of the proposed rulemaking and copies of the proposed rules to be sent [electronically,] by regular first class mail or hand delivered to the owners, at their address of record with the Association, such mailing or delivery to be completed no less than 30 days prior to the Board meeting at which the Board will consider adoption of the proposed rules.
- C. The notice of rule-making will both request owner's written comments on the proposed rules to the address specified in the notice, to be received no less than 10 days prior to the proposed rule-making meeting of the Board, and the owners' personal oral comments to the Board at the rulemaking meeting of the Board at the specified time, date, and place of meeting.
- D. At its rule-making meeting, the Board will reasonably consider the owner's' written and oral comments on the proposed rules. After the Board has considered the owners' comments, the Board will act upon the proposed rules upon proper motion, second, and discussion by the Board members only (and any others only as specifically requested by the Board) to adopt, reject, amend, or otherwise act upon the proposed rules, including, among other normal procedures of the Board, to adjourn the meeting from day to day or as otherwise specified by the Board.
- E. Upon adoption of the final rules, as the rules may be amended by the Board, the Board shall [send electronically,] by regular first class mail or hand deliver the rules as adopted to the owners at their addresses of record with the Association.
- F. The rules will be numbered and will show the date of adoption and the date on which each rule shall be effective.
- G. The Association shall maintain the current, effective rules in an orderly manner so that owners and Board members may readily access the rules.

SECTION V. ASSOCIATION RECORDS: MAINTENANCE, RETENTION, AND PRODUCTION; INSURANCE; AUDITS AND REVIEWS; EDUCATION.

(Added May 9, 2006, Amended June 12, 2012)

- A. The Association will maintain, retain, and produce Association records in accordance with law and the Association's governing documents, including the declaration, articles of incorporation, bylaws, and this Rule. This Rule conforms to Colorado Revised Statutes §§ 38-33.3-209.4, 209.5, and -317, as amended.

- B. All Association records must be maintained in a form that allows conversion into written form in a reasonable time.
- C. The following records will be maintained at the Association's principal office as described in the records of the Colorado Secretary of State and shall be considered the sole records of the Association for purposes of document retention and production to owners:
 - 1. Detailed records of receipts and expenditures affecting the operation and administration of the Association;
 - 2. Records of claims for construction defects and amounts received pursuant to settlement of those claims;
 - 3. Minutes of all meetings of owners and the Board, a record of all actions taken by the owners or the Board without a meeting and a record of all actions taken by any committee of the Board;
 - 4. Written communications among, and votes cast by the Board members that are: (a) directly related to an; action taken by the Board without a meeting pursuant to CR8 5 7-128-202, or (b) directly related to an action taken by the Board without a meeting pursuant to the Association's Bylaws;
 - 5. The names of owners in a form that permits preparation of a list of names of all owners and the physical mailing addresses at which the Association communicates with them, showing the number of votes each owner is entitled to vote;
 - 6. Its current Declaration, Covenants, Articles of Incorporation, Bylaws, Rules and Regulations, Responsible Governance Policies adopted pursuant to CRS § 38-33.3-209,5, and other policies adopted by the Board;
 - 7. Financial statements as described in CRS § 7-136-106 for the past three years and tax returns of the Association for the past seven years, to the extent available;
 - 8. A list of the names, electronic mail addresses, and physical mailing addresses of its current Board members and officers;
 - 9. Its most recent annual report delivered to the secretary of State, if any;
 - 10. Financial records sufficiently detailed to enable the Association to comply with ORB 5 38-33.3-316(8) concerning statements of unpaid assessments, to be sent by certified mail, return receipt requested, so they are received by requesting party within 14 days of Association's receipt of request;
 - 11. The Association's most recent reserve study, if any;
 - 12. Current written contracts to which the Association is a party and contracts for work performed for the Association within the immediately preceding two years;
 - 13. Records of the Board or Committee actions to approve or deny any requests for design or architectural approval from owners;
 - 14. Ballots, proxies, and other records related to voting by owners for one year after the election, adieu, or vote to which they relate;
 - 15. Resolutions adopted by its Board relating to the characteristics, qualifications, rights, limitations, and obligations of members or any class or category of members; and
 - 16. All written communications within the past three years to all owners generally as owners.
- D. An owner or owner's authorized agent may inspect and copy Association records during normal business hours if the owner or authorized agent has submitted a written request, describing with reasonable particularity the records sought, at least 10 days prior to the inspection or production of documents. The Association's "Request to Inspect Records" form is attached to and made a part of this Rule. The Association may not condition the production of records upon the statement of a proper purpose.

- E. Notwithstanding Rule V.D. above, a membership list or any part thereof may not be obtained or used by any person for any purpose unrelated to an owner's interest as an owner without the consent of the Board. Without limiting the generality of this Rule V.E., without the consent of the Board, a membership list or any part thereof may not be:
 - 1. Used to solicit money or property unless such money or property will be used solely to solicit the votes of owners in an election to held by the Association;
 - 2. Used for any commercial purpose; or
 - 3. Sold to or purchased by any person.
- F. Records maintained by the Association may be withheld from inspection and copying to the extent that they are or concern:
 - 1. Architectural drawings, plans, and designs, unless released upon written consent of the legal owner of the drawings, plans, or designs;
 - 2. Contracts, leases, bids, or records related to transactions to purchase or provide goods or services that are currently in or under negotiation;
 - 3. Communications with legal counsel that are otherwise protected by the attorney client privilege or the attorney work product doctrine;
 - 4. Disclosure of information in violation of law;
 - 5. Records of an executive session of the board; or
 - 6. Individual units other than those of the requesting owner.
- G. Records maintained by the Association are not subject to inspection and copying, and must be withheld, to the extent that they are or concern:
 - 1. Personnel, salary, or medical records relating to specific individuals; or
 - 2. Personal identification and account information of members, including bank account information, telephone numbers, electronic mail addresses, driver's license numbers, and social security numbers.
- H. The Association will impose a reasonable charge, which may be collected in advance and will cover costs of labor and material, for copies of Association records. The charge may, not exceed the estimated cost of production and reproduction of the records.
- I. A right to copy records under this Rule includes the right to receive copies by photocopying or other means, including the receipt of copies through an electronic transmission if available, upon request of an owner.
- J. The Association is not obligated to compile or synthesize information.
- K. Association records and the information contained within those records shall not be used for commercial purposes.
- L. Upon request, the selling unit owner shall either provide to the buyer or authorize the Association to provide to the buyer, upon payment of the Association's usual fee pursuant to Rule V.H. above, all the common interest community's governing documents and financial documents, as listed in the most recent version of the contract to buy and sell real estate promulgated by the real estate commission as of the date of the contract.
- M. Audits or reviews of the books and records of Association shall be done at the discretion of the Board or upon owner request as follows:
 - 1. An audit is required only if the Association has annual revenues or expenditures of at least \$250,000 and owners of at least one third of the units represented by the Association request an audit.
 - 2. A review is required only when requested by the owners of at least one-third of the units represented by the Association.

3. Copies of audits or reviews shall be available on request to any owner 30 days after completion.
- N. Within 90 days after the change of any of the following, the Association will give written notice to the owners of the following items by first class mail, personal delivery, a binder at the principal place of business, or on the Association's website:
1. Names of the Association and the common interest community
 2. Name and address of management company, if any
 3. Physical address and phone number for the Association and the designated agent or management company
 4. Date of recording of the Declaration and recording information
- O. Within 90 days after the end of each fiscal year, the Association will make the following information available to owners by first class mail, personal delivery, a binder at the principal place of business, or posting on the Association's website:
1. Date the Association's fiscal year begins
 2. Operating budget for the current year
 3. List of current regular and special assessments, by unit type
 4. Annual financial statements, including reserves
 5. Results of most recent audit or review
 6. List of all Association insurance policies (property, general liability, director and officer liability, fidelity), including companies, policy limits and deductibles, additional insureds, and expiration dates
 7. Association's bylaws, articles, and rules and regulations
 8. Minutes of board and member meetings for prior fiscal year
 9. Association's "Responsible Governance Policies (contained in bylaws and rules)
- P. An owner may file a claim against the insurance policy of the Association to the same extent and with the same effect as if the owner were a named insured if the following conditions are met:
1. The owner has contacted the Board or the Managing Agent in writing, and in accordance with applicable Association policies or procedures for owner-initiated claims, regarding the subject matter of the claim; and
 2. The owner has given the Association at least 15 days to respond in writing, and, if so requested, has given the Association's agent a reasonable opportunity to inspect the damage; and
 3. The subject matter of the claim falls within the Association's responsibilities.
- Q. The Association encourages education on good governance for the members of the Board. Upon submission prior to the seminar or course, the Board may approve payment of expenses for education for individual members of the Board if the education is directly related to good Association operations within the common interest community.

SECTION VI. INVESTMENT OF RESERVE FUNDS.

(Added May 9, 2006, Amended June 12, 2012)

The Association shall obtain a competent reserve study to show the required reserve funds for maintenance, repair, and replacement of capital improvements which are the Association's responsibility. This shall include such items as painting, repair of exterior surfaces, walls, gutters and downspouts, roofs, doors, windows, walks, parking areas, storage areas, drives, patios, porches, steps, concrete and asphalt, utilities, plumbing, wiring, and other substantial improvements to the real estate that the Declaration requires the Association to maintain, repair and replace.

- A. The Association will invest reserve funds in one or more accounts separate from the general operating account of the Association. The reserve funds shall be invested in conservative accounts with a small possibility of loss to the Association. The majority of the reserve funds shall be deposited in accounts and amounts that are fully insured against loss by an agency of the U.S. government
- B. Any and all persons who have access to the reserve funds shall have fidelity insurance covering the Association against dishonesty of such persons in the full amount of the funds in those accounts.

SECTION VII. DISCLOSURES IN PURCHASES AND SALES OF UNITS.

(Added May 9, 2006, Amended June 12, 2012)

- A. In accordance with CRS 5 38.-35.7-102, sellers of a unit must provide copies to the buyers, or upon payment of the Association's usual fee, authorize the Association to provide copies to the buyers, of all of the common interest community's governing documents and financial documents, as listed in the most recent available version of the contract to buy and sell real estate promulgated by the real estate commission as of the date of the contract.
- B. Sellers must provide buyers, in every contract for the purchase and sale of residential real property with disclosure statements in bold.-faced type that is clearly legible and in substantially the following form:

THE PROPERTY IS LOCATED WITHIN A COMMON INTEREST COMMUNITY AND IS SUBJECT TO THE DECLARATION FOR SUCH COMMUNITY. THE OWNER OF THE PROPERTY WILL BE REQUIRED TO BE A MEMBER OF THE OWNERS' ASSOCIATION FOR THE COMMUNITY AND WILL BE SUBJECT TO THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS WILL IMPOSE FINANCIAL OBLIGATIONS UPON THE OWNER OF THE PROPERTY, INCLUDING AN OBLIGATION TO PAY ASSESSMENTS OF THE ASSOCIATION. IF THE OWNER DOES NOT PAY THESE ASSESSMENTS, THE ASSOCIATION COULD PLACE A LIEN ON THE PROPERTY AND POSSIBLY SELL IT TO PAY THE DEBT. THE DECLARATION, BYLAWS, AND RULES AND REGULATIONS OF THE COMMUNITY MAY PROHIBIT THE OWNER FROM MAKING CHANGES TO THE PROPERTY WITHOUT AN ARCHITECTURAL REVIEW BY THE ASSOCIATION (OR A COMMITTEE OF THE ASSOCIATION) AND THE APPROVAL OF THE ASSOCIATION. PURCHASERS OF PROPERTY WITHIN THE COMMON INTEREST COMMUNITY SHOULD INVESTIGATE THE FINANCIAL OBLIGATIONS OF MEMBERS OF THE ASSOCIATION. PURCHASERS SHOULD CAREFULLY READ THE DECLARATION FOR THE COMMUNITY AND THE BYLAWS AND RULES AND REGULATIONS OF THE ASSOCIATION.

SECTION VIII. ELECTRICAL VEHICLE CHARGING

(Added January 6, 2014)

- A. The Association shall specifically allow a Unit Owner to install an electric vehicle charging system for the Owner's use in the Owner's Limited Common Element at the Owner's expense and in strict compliance with this Rule.
- B. Prior to any disturbance of the Common Elements, the Unit Owner shall submit written plans and specifications for the charging system to the Association for reasonable review of aesthetic, architectural, and safety considerations as a condition to Association consent to the installation. Any unauthorized installation shall be subject to immediate removal by the Unit Owner or the Association, at the expense of the Unit Owner, which expense shall be an assessment to be paid by the Unit Owner and shall be collectible by the Association in accordance with the Association's governing documents.
- C. In the required plans and specifications, the Unit Owner shall show full compliance with the applicable Building Code and all recognized safety standards.
- D. The Unit Owner shall agree in writing to:
 1. Comply with any Association design specifications for installation of the system;
 2. Have the Association engage the services of a duly licensed and registered electrical contractor familiar with the installation and code requirement of an electrical charging system;
 3. Prepay to the Association the expense of installation, including costs and warranty to the Association to restore any Common Elements disturbed in the process of installing and removing the system; and
 4. Provide a certificate of insurance naming the Association as an additional insured on the Unit Owner's insurance policy for any claim related to the installation, maintenance, or use of the system or, if the system is located on a Common Element, reimbursement to the Association for the actual cost of any increased insurance premium amount payable by the Association and attributable to the system. The Unit Owner must reimburse the Association within 14 days after invoice from the Association for any Association's increased insurance premium amount attributable to the system.
- E. The Unit Owner must provide the certificate of insurance under the above subsection of this Rule to the Association within 14 days after Association consent for the installation. The Unit Owner's failure to provide a certificate of insurance or reimburse the Association as provided in this Rule on electric vehicle charging shall result in the immediate revocation of the Association's consent for installation without notice. The Unit Owner must remove the system and any improvements related to the system installation. If the unit Owner does not promptly remove, then the Association may remove the system and improvements at the Unit Owner's cost. The Unit Owner must pay the Association for all of its costs related to the removal in the same fashion and with the same Association remedies as for periodic assessments.
- F. If the Association consents to a Unit Owner's installation of an electric vehicle charging system on a Limited Common Element, including a parking space, carport, or garage stall then unless otherwise specified in a written contract or in the Association's governing documents:

1. The Unit Owner and each successive Unit Owner with exclusive rights to the Limited Common Element where the charging system is installed, is responsible for any costs for damages to the system, and other Limited Common Element or General Common Element of the Common Interest Community, and any adjacent Unit, garage stalls, carports, or parking spaces that arise or result from the installation, maintenance, repair, removal or replacement of the system;
 2. Each successive Unit Owner with exclusive rights to the Limited Common Element shall assume responsibility for the repair, maintenance, removal, and replacement the charging system until the system has been removed;
 3. The Unit Owner and each successive Unit Owner with the exclusive rights to the Limited Common Element shall at all times have and maintain an insurance policy covering the obligations of the Unit Owner under this subsection of the Rule on electric vehicle charging is subject to all the obligations specified under the above subsections on insurance, and shall name the Association as an additional insured under the Unit Owner's policy; and
 5. The Unit Owner and each successive Unit Owner with exclusive rights to the Limited Common Element is responsible for removing the system if reasonably necessary or convenient for the Association's repair, maintenance, or replacement of the Limited Common Elements or General Common Elements of the Common Interest Community.
- G. The charging system installed at the Unit Owner's cost is the property of the Unit Owner. Upon the sale of the Unit, if the charging system is removable, the Unit Owner may either remove it or sell it the buyer of the Unit or the Association for an agreed price. Nothing in this Rule requires the buyer of the Unit or the Association to purchase the charging system.