

Recorded at 1:30 o'clock P.M. MAY 10 1978
Reception No. 1734183 MARJORIE PAGE, Recorder

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
CHARLESTON PLACE
A CONDOMINIUM

RCGN 2773 PAGE 196

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, G.R.C. Enterprises, Inc. and Sharon Baker and Judy A. Beckman (hereinafter collectively referred to as "Declarant") are the owners of certain real property situate in the County of Arapahoe, State of Colorado, as more particularly described on Exhibit A, attached hereto and by this reference incorporated herein; and

WHEREAS, Declarant and all holders of recorded mortgages or deeds of trust covering the property described on Exhibit A unanimously consent and agree to amend in its entirety the Condominium Declaration dated May 8, 1974 and recorded in Book 2235 at page 684 of the records of Arapahoe County; and

WHEREAS, Declarant does hereby establish a plan for the ownership in fee simple of the property described in Exhibit A in separate condominium estates, and holders of all mortgages and beneficiaries of all deeds of trust thereon hereby consent to this Declaration.

NOW, THEREFORE, Declarant does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarant, their successors and assigns; and any person acquiring or owning an interest in the above described real property and improvements, their grantees, successors, assigns, legal representatives, heirs, devisees, tenants, lessees, guests or invitees.

1. Name. The name by which this condominium is to be identified is Charleston Place.

2. Definitions. As used in this Declaration, certain terms shall have the following meanings, unless the context shall require otherwise:

1.1 Unit means an individual air space unit contained within the perimeter walls, floors, ceilings, windows and doors of a Building, together with all fixtures and improvements therein contained, but not including any of the structural components of the Building, if any, within such air space.

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

2.3 Building means one of the building improvements comprising part of the Property.

2.4 Common Expenses means and includes:

(1) Expenses of administration, operation and management, repair or replacement of the Common Elements;

(2) Expenses declared Common Expenses by the provisions of this Declaration or by the By-Laws of the Association;

(3) All sums lawfully assessed against the Common Elements by the Board of Managers of the Association;

(4) Expenses agreed upon as Common Expenses by the Association.

2.5 Condominium Unit means a Unit together with the interest in the Common Elements appurtenant to such unit.

2.6 Declaration means this document, together with all exhibits attached hereto, which document will be recorded pursuant to Colorado Revised Statutes, as amended.

2.7 Common Elements means and includes all the land described in Exhibit A and all the improvements thereto and thereon located, excluding Units. 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 interest equal to 1/174 for each Unit owned. Common Elements shall consist of:

2.7.1 General Common Elements which shall mean and include the land described in Exhibit A, the structural components of the Buildings; the service roads, such improvements, buildings and areas as are provided for community, 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.

2.7.2 Limited Common Elements which shall mean those parts of the Common Elements which are either limited to and reserved for the exclusive use of an Owner of 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, patios, parking spaces and storage lockers which are specifically designated as being part of a particular Condominium Unit and air conditioning housing in each Unit (but the actual air conditioning units shall be the sole responsibility of each respective Owner).

2.8 Map, Condominium Map or Supplemental Map means the engineering survey of the land locating thereon all of the improvements, the floor and elevation plans and any other drawing or diagram depicting a part of or all of the improvements.

2.9 Owner means a person, firm, corporation, partnership, association or other legal entity, or any combination thereof, which is the owner of a Condominium Unit.

2.10 Premises or Property or Project or Condominium Property or Condominium Project means and includes the land, as set forth on Exhibit A, all buildings, improvements and structures thereon, and all rights, easements and appurtenances belonging thereto, and is the property initially submitted to this Declaration.

3. Condominium Map.

3.1 Time of Filing. Declarant shall cause to be filed for record a Map properly locating the units and which shall depict and show at least the following:

- (1) The legal description of the land and a survey thereof;
- (2) The linear measurements and location, with reference to the exterior boundaries of the land, of the buildings and all other improvements built or to be built on said land by Declarant;
- (3) The elevation plans of the Buildings;
- (4) The elevations of the unfinished interior surfaces of the floors and ceilings as established from a datum plane; the linear measurements showing the thickness of the perimeter walls of the buildings; the bearing walls of the Buildings and the perimeter walls of each Unit; and
- (5) The floor plans which shall depict the boundaries (perimeter) of the Units, the Unit designations and the linear measurements of each Unit.

As a part of the Map, there shall be filed for record a certificate of a licensed architect or registered professional engineer certifying that the improvements as constructed conform substantially to the Map and that the Map fully and accurately depicts the layout, measurements and location of all of the improvements on the land; the Condominium Unit designations, the dimensions of such units and the elevations of the unfinished floors and ceilings and that the Map was prepared subsequent to completion of the improvements depicted. In interpreting the Map, the existing physical boundaries of each Unit as Constructed shall be conclusively presumed to be its boundaries.

3.2 Amendments. Declarant reserves the right to amend the Map, from time to time, to conform same to the actual physical location of the constructed improvements and to any changes, modifications or alterations.

4. Amendment of Prior Declaration. Declarant and all holders of recorded mortgages and deeds of trust covering or affecting the real property described in Exhibit A hereby amend in its entirety the Condominium Declaration dated May 8, 1974 and recorded in Book 2235 at page 684 in the records of Arapahoe County.

4.1 Grant and Submission of Property. Declarant hereby grants, conveys, and submits to condominium ownership the real property described in Exhibit A, attached hereto, and all easements, rights and appurtenances thereto, together with all buildings, improvements and structures located on and within the surface and above surface estates.

4.2 Division of Property into Condominium Units. The real property described on Exhibit A including the improvements thereon is hereby divided into the fee simple estates as are set forth on the Map and each such estate shall consist of the separately designated unit and the undivided interest in and to the Common Elements appurtenant to each unit as therein set forth.

4.3 Designation of Limited Common Elements. The Limited Common Elements reserved for the exclusive or joint use of the Owners of the respective Units are identified and shown on the Condominium Map, and such elements shall be used by the Owners of such Units to the exclusion of the use thereof by the other Owners of the General Common Elements, except by invitation.

4.4 Easements for Encroachments of General Common Elements, Units and Utilities. If any portion of the Common Elements now encroaches upon any Unit, or if any Unit now encroaches upon any other Unit or upon any portion of the Common Elements, as a result of the construction of the Building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the Building, or for any other reason, a valid easement for the encroachment and for the maintenance of the same so long as the Building stands, shall exist. Similar easements are also hereby declared to exist for lines, pipes, wires, ducts, conduits or systems (hereinafter sometimes referred to as "Utilities") extending through a Unit to serve one or more other Units. In the event the Building, a Unit, any adjoining Unit or any adjoining Common Element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings and then rebuilt, encroachments of parts of the Common Elements upon any Unit or of any Unit upon any other Unit or upon any portion of the Common Elements, due to this rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the Building shall stand. Such encroachments and easements shall not be considered or determined to be encumbrances either on the Common Elements or the Units.

4.5 Community Automobile Parking Facilities. Community parking areas and facilities for guest and additional owners' parking shall be under the control of the Association, and use thereof will be subject to the rules and regulations adopted by the Board of Managers. Such areas and facilities shall be part of the General Common Elements of the Condominium Project.

4.6 Inseparability of Condominium Units. Each Unit and the undivided interest in the Common Elements and any Limited Common Elements appurtenant thereto shall be inseparable and may be conveyed, leased or encumbered only as a Condominium Unit.

4.7 Description of Condominium Units. Every contract of sale, deed, lease, mortgage, trust deed or other instrument may legally describe the Condominium Unit by its identifying Building number and Unit number followed by the words "Charleston Place" with further reference to this Declaration and the Map to be recorded. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber or otherwise affect not only the Unit but also the Limited Common Elements, if any, appurtenant thereto and the designated interest of the Unit in the General Common Elements.

4.8 Nonpartitionability of General Common Elements. The General Common Elements shall be owned in common by all of the Owners of the Units and shall remain undivided, and no Owner shall bring any action for partition or division of the General Common Elements.

4.9 Title. A Condominium Unit may be held and owned by more than one person as joint tenants or as tenants in common or in any real property tenancy relationship recognized under the laws of the State of Colorado.

4.10 Separate Assessment and Taxation - Notice to Assessor. Declarant shall give written notice to the Assessor of the County of Arapahoe, State of Colorado, of the creation of condominium ownership of this property, as is provided by law, so that each Unit and the undivided interest in the Common Elements appurtenant thereto shall be deemed a parcel and subject to separate assessment and taxation.

5. Use and Occupancy. Each Owner shall be specifically subject to the following rights and restrictions:

5.1 Exclusive Possession and Use Restriction. Each Owner shall be entitled to exclusive ownership and possession of his Unit. Each Owner may use the General Common Elements in accordance with the purposes for which they are intended, without hindering or encroaching upon the lawful rights of the other Owners. Each Unit shall be used and occupied solely for the purpose of lodging or as a dwelling by the Owner or by the Owner's family, guests, agents, employees, invitees, licensees or tenants, subject to the provisions of this Declaration. Declarant and their employees, representatives, agents and contractors may maintain a business and sales office, construction facilities and yards, model units and other facilities necessary during the development and sales period, and an office or offices for management and rental of the Condominium Units may be maintained during and subsequent to the development and sales period.

5.2 Reservation for Access for Maintenance and Repair. The Owners shall have the irrevocable right, to be exercised by the Association, through its authorized representative, of access to each Unit and its appurtenant Limited Common Elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of any of the General Common Elements or Utilities, or at any time deemed necessary for the making of emergency repairs to prevent damage to the General Common Elements or Utilities or to the Unit or to another Unit. Damage to the interior of any part of the Unit resulting from the maintenance, repair, emergency repair or replacement of any of the General Common Elements or Utilities or as a result of emergency repairs within another Unit at the instance of the Association shall be a common expense of all of the Owners, provided, however, that if such damage is the result of the negligence of an Owner, such Owner shall be responsible for all of such damage. Restoration of the damaged improvements shall be substantially the same as the condition of such improvements prior to the damage.

5.3 Right to Mortgage. Each Owner shall have the right from time to time to mortgage or encumber his interest in his Condominium Unit by deed of trust, mortgage or other security instrument. A first mortgage or deed of trust (herein referred to as a "mortgage") shall be one which has first and paramount priority under applicable law. An Owner may create junior mortgages on the following conditions:

(a) That any such junior mortgages shall always be subordinate to all of the terms, covenant, conditions, restrictions, uses, limitations, obligations, liens for common expenses, and other obligations created by this Declaration, the Certificate of Incorporation and By-Laws of the Association; and

(b) That the mortgagee (which term as used herein shall be deemed to include a beneficiary under a deed of trust) of any junior mortgage shall release, for the purposes of restoration of any improvements upon the mortgaged

premises all of said mortgagee's right, title and interest in and to the proceeds under all insurance policies that may have been placed upon the premises by the Association. Such release shall be furnished immediately by any such junior mortgagee upon written request of the Association and, if such request is not granted, such release may be executed by the Association as attorney-in-fact for such junior mortgagee.

6. Administration and Management.

6.1 The administration and management of the Condominium Property shall be governed by this Declaration, the Articles of Incorporation and the By-Laws of the Association. An Owner of a Condominium Unit or undivided interest therein, upon becoming such an Owner, shall be a member of the Association and shall remain a member for the period of his ownership. Unless by unanimous, prior written approval given by all first mortgagees and Unit Owners, the Association shall not be entitled to:

(1) By act or omission seek to abandon or terminate the Condominium Project;

(2) Change the pro rata interest or obligations of any individual Unit for the purpose of levying assessments or allocating distribution of hazard insurance proceeds or condemnation awards, or determining the pro rata share of ownership of each Unit in the Common Elements;

(3) Partition or subdivide any Unit;

(4) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements;

(5) Use hazard insurance proceeds for losses to any condominium property for other than the repair, replacement, or reconstruction of such Condominium Project.

6.2 Duties of Board of Managers. The Association, by and through the Board of Managers elected in accordance with the Articles of Incorporation and the By-laws of the Association, shall have the duties of the general management, operation and maintenance of the Condominium Buildings, the Units and the enforcement of the provisions of this Declaration and of the Articles and By-laws of the Association and Rules and Regulations adopted thereunder. The Board of Managers may delegate part of its obligations to a Manager, herein referred to as the "Managing Agent". Any agreement for professional general management of the Condominium Project or other contract for service by the declarant, its agents or employees shall provide for termination by either party without cause or payment of a termination fee on ninety days written notice and a maximum contract term of three years.

6.3 Assessment for Common Expenses. All Owners shall be obligated to pay the estimated assessments imposed by the Board of Managers to meet the common expenses of maintenance, operation and management including insurance premiums of the Condominium Project. The assessments shall be made pro rata according to each Owner's ownership interest, each owner being deemed to own 1/174 of the Common Elements for each unit owned. In case of expansion of the Condominium Project, the assessments shall be prorated as described in paragraph 10 hereinbelow. The Limited Common Elements shall be maintained as General Common Elements, and Owners having exclusive use thereof shall not be subject to any additional service charges or assessments. The Board of Managers, may

establish any reasonable system for collection periodically of Common Expenses, in advance or arrears as deemed desirable. Initially, assessments for the estimated Common Expenses, including insurance, shall be payable monthly, in advance, on the first day of each month. The Board of Managers shall prepare and deliver or mail or cause to be prepared and delivered or mailed to each Owner an itemized monthly statement showing the various estimated or actual expenses for which the assessments shall be prorated if the ownership of a Condominium Unit commences on a day other than the first day of a month. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board of Managers shall from time to time determine to be paid by all of the Owners to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Elements, including expenses of management, taxes and special assessments, unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board of Managers, landscaping and care of grounds, operation, management, maintenance and supervision of recreational facilities and amenities, common lighting and heating, repairs and renovations, trash and garbage collections, wages, common water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Managers or the Managing Agent under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, an adequate reserve fund for maintenance, repair and replacement of those Common Elements that must be replaced on a periodic basis, as well as other costs and expenses relating to the Common Elements. The omission or failure of the Board of Managers, to fix the assessment for any assessment period shall not be deemed a waiver, modification or a release of the Owners from their obligation to pay the same.

6.4 Nonpayment of Assessments and Lien. All sums assessed but unpaid for the share of common expenses chargeable to any Condominium Unit shall constitute a lien on such Unit superior to all other liens and encumbrances except for (i) tax and special assessment liens on the Condominium Unit in favor of any taxing authority, and (ii) all sums unpaid on a first mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. If any assessment shall remain unpaid after fifteen (15) days after the due date thereof, the Board of Managers may impose a penalty on such defaulting owner in an amount equal to two percent of the unpaid assessment may be imposed on the first day of each calendar month thereafter so long as such assessment shall be unpaid. To evidence the lien as herein permitted, the Board of Managers shall prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the Owner of the Condominium Unit and a description of the Condominium Unit and record the same in the Office of the Clerk and Recorder of Arapahoe County, Colorado. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting Owner's Condominium Unit by the Association in manner similar to a mortgage on real property upon the recording of a notice or claim thereof. In the event of any such foreclosure the Owner shall be liable for the amount of unpaid assessments, any penalties thereon, the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien, monthly assessments for the Condominium Unit during the period of foreclosure, and all reasonable attorney's fees.

The Association shall have the power to bid in the Condominium Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The Association shall report to the mortgagee of a Condominium Unit any unpaid assessments or other defaults remaining unpaid or uncured for longer than thirty days after the same are due and any mortgagee holding a lien on a Condominium Unit may pay any unpaid assessment payable with respect to such Unit, and upon such payment the mortgagee shall have a lien on such Unit for the amounts paid of the same priority as the lien of the mortgage or deed of trust.

6.5 Owners' Obligation for Payment of Assessments.

The amount of the Common Expenses assessed against each Condominium Unit shall also be a personal obligation of the Owner hereof. Suit to recover a money judgment for unpaid assessments, and any penalties thereof shall be maintainable without foreclosing or waiving the lien securing the same. No Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the General Common Elements or by abandonment of his Unit.

6.6 Statement of Assessments and Liability of Purchasers.

Upon payment of a reasonable fee and upon the written request of any Owner or of any mortgagee of a Condominium Unit, the Board of Managers, shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to the subject Unit, the amount of the current periodic assessment and the date that such assessment becomes due, any penalties due, and credit for advance payments or for prepaid items, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within 15 days, all unpaid Common Expenses which became due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement. The grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessment against the latter for his proportionate share of the Common Expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor; provided, however, that upon payment of a reasonable fee and upon written request, any such prospective grantee shall be entitled to a statement from the Board of Managers, in the form as set forth above, which shall be conclusive upon the Association. Unless such request for a statement of indebtedness shall be complied with within fifteen (15) days of such request, then such grantee shall not be liable for, nor shall the Condominium Unit conveyed be subject to a lien for any unpaid assessments accruing prior to the date of such request. Provided, that any first mortgagee who obtains title to a Condominium Unit pursuant to the remedies provided in the mortgage, or foreclosure or deed in lieu of foreclosure will not be liable for such Unit's unpaid dues or charges accruing prior to the acquisition of title to such Unit by the mortgagee.

7. Maintenance and Alterations. Responsibility for the maintenance of the Condominium Property and restrictions upon the alteration thereof shall be as follows:

7.1 By the Owner. For purposes of maintenance, repair, alteration and remodeling, an Owner shall be deemed to own and shall have the obligation to maintain and keep in good repair the interior surfaces of perimeter walls, ceilings

and floors within the Unit and the Unit doors and windows. An Owner shall not be deemed to own Utilities, except as a tenant in common with the other Owners. Such Utilities shall not be disturbed or relocated by an Owner without the written consent and approval of the Board of Managers. Such right to repair, alter and remodel shall carry the obligation to replace any finishing or other materials removed with similar or other types or kinds of materials. An Owner shall maintain and keep in repair the interior of his own Unit, including the fixtures thereof. All fixtures and equipment installed within the Unit commencing at a point where the utilities enter the Unit shall be maintained and kept in repair by the Owner thereof. An Owner shall do no act nor any work that will impair the structural soundness or integrity of the Building or impair any easement or hereditament. An Owner shall not be responsible for repair occasioned by casualty as hereinafter defined unless such casualty is due to the negligence of the Owner, his guests, invitees or tenants. No Owner shall alter any Common Elements without consent of the Association.

7.2 By the Association. The Association shall maintain and keep in good repair, as a Common Expense, all of the Condominium Property not required to be maintained and kept in good repair by an Owner.

8. Insurance. Insurance which should be carried upon the Condominium Property shall be as follows:

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

(1) Fire insurance with extended coverage and standard all risk endorsements, which endorsements shall include endorsements for vandalism and malicious mischief. 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 the 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 Charleston Place Association, Inc. for the use and benefit of mortgagees as their interests may appear.

(2) If the Condominium Project is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and the sale of Flood

Insurance has been made available under the National Flood Insurance Act of 1968, a "blanket" policy of flood insurance on the Condominium Project in the 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.

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

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

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

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

8.2 Form of Policies. 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 the Condominium Unit Owner and shall provide that such policies may not be cancelled or modified without at least ten (10) days prior written notice to all of the insured, including mortgagees. If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all mortgagees at least ten (10) days prior to expiration of the then current policies. The insurance shall be carried in blanket form naming the Charleston Place Association, Inc. as the insured, as attorney-in-fact for all of the Condominium Unit Owners, which policy or policies shall identify the interest of each Condominium Unit Owner (Owner's name and number designation) and first mortgagee.

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

Insurance coverage on furnishings, including carpet, draperies, oven, range, refrigerator, wallpaper, disposal and other items of person 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 Board of Managers, the Association and/or the Managing Agent shall have no responsibility therefor.

In the event that there shall be any damage or destruction to, or loss to a Unit which exceeds \$1,000.00 or any damage or destruction to, or loss to the Common Elements which exceeds \$10,000.00, then written 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.

9. Repair or Reconstruction after Casualty. Repair or reconstruction as used in this Section 9 means restoration of improvements to substantially the same condition which they existed prior to the damage or casualty, with each Unit and the Common Elements having the same horizontal and vertical boundaries as before.

9.1 Power of Attorney. This Declaration does hereby make mandatory the irrevocable appointment of the Association as attorney-in-fact for all Owners to deal with the Condominium Property upon its destruction, obsolescence, repair or reconstruction, and title to each Condominium Unit is declared and expressly made subject to the terms and conditions hereof and acceptance by the grantee of a deed from the Declarant or any Owner shall irrevocably constitute and appoint the Board of Managers of the Association their true and lawful attorney in their name, place and stead for the purpose of dealing with the Condominium Property upon its destruction, obsolescence, repair or reconstruction.

As attorney-in-fact, the Association by its president and secretary, shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a Condominium Unit Owner which are necessary and appropriate to exercise the powers herein granted. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration or replacements unless the Owners and all first mortgagees agree not to rebuild in accordance with the provisions set forth herein-after.

9.2 Insurance Proceeds Sufficient to Repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or reconstruction after a damage or destruction of the Condominium Property or any part thereof, then such repair or reconstruction shall be promptly performed by the Association, as attorney-in-fact for the Owners.

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

9.3.1 Partial Damage. If less than seventy percent of all of the Condominium Units (the entire Property), not including land, are damaged or destroyed they shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of an assessment to be made against all of the Owners and their Condominium Units. Such deficiency assessment shall be a Common Expense and made pro rata according to each Owner's interest and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney-in-fact to cause the repair or restoration of the improvements using all of the insurance proceeds for such purposes, notwithstanding the failure of an Owner to pay the assessment.

The assessment provided for herein shall be a debt of each Owner and a lien on his Condominium Unit and may be enforced and collected as provided above. In addition thereto, the Association, as attorney-in-fact, shall have the absolute right and power to sell the Condominium Unit of any Owner refusing or failing to pay the deficiency assessment within the time provided, and if not so paid, the Association shall cause to be recorded a notice that the Condominium Unit of the delinquent Owner shall be sold by the Association, as attorney-in-fact. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Association, as attorney-in-fact, in the following order:

- (1) for payment of the balance of the lien of any first mortgage;
- (2) for payment of taxes and special assessments liens in favor of any assessing entity;
- (3) for payment of unpaid Common Expenses;
- (4) for payment of junior liens and encumbrances in the order of and to the extent of their priority; and
- (5) the balance remaining, if any, shall be paid to the Condominium Unit Owner.

9.3.2 Total Destruction If the insurance proceeds are insufficient to repair and reconstruct the improvement(s), and if such damage is more than seventy percent (70%) of the total replacement cost of all of the Condominium Units in this project, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney-in-fact, using the proceeds of insurance and the proceeds of a special assessment to be made against all of the Owners and their Condominium Units, provided, however, that Owners upon a vote equal to or more than seventy-five percent (75%) of the total votes outstanding and at least seventy-five percent (75%) of the first mortgagees of record may agree not to repair or reconstruct the improvements; and in such event, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President and Secretary or Assistant Secretary, the entire project shall be sold by the Association pursuant to the provisions of this paragraph, as attorney-in-fact for all of the owners, free and clear of the provisions contained in this Declaration, the Map, Articles of Incorporation and Bylaws. Assessments for common expenses shall not be abated during the period to sale. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each Owner's interest in the Common Elements, and such divided proceeds shall be paid into separate accounts, each such account representing one of the Condominium Units. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney-in-fact shall forthwith use and disburse the total amount of each of such accounts, without contribution from one account to another, toward the partial or full payment of the lien of any first mortgagee encumbering the Condominium Unit represented by such separate account. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds obtained from the sale of the entire property. Such apportionment shall be based upon each Condominium Unit Owner's

interest in the Common Elements. The total funds of each account shall be used and disbursed, without contribution, from one account to another by the Association, as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraph 9.3.1 (1) through (5) of this paragraph.

9.4 Obsolescence.

9.4.1 Renewal and Restoration. Upon a vote equal to or more than 85% of the total votes outstanding, the Owners may agree that the Condominium Units are obsolete and adopt a plan for their renewal and reconstruction, which plan must have the unanimous approval of all first mortgagees of record at the time of the adoption of such plan. If a plan for the renewal or reconstruction is adopted, notice of such plan shall be recorded, and the expense thereof shall be payable by all of the Owners as Common Expenses; provided, however, that an Owner dissenting from such plan for renewal or reconstruction may give written notice to the Association within thirty days after the adoption of such plan that such dissenting Owner's Unit shall be purchased by the Association for the fair market value thereof. The Association through its Board of Managers shall then have thirty (30) days within which to cancel such plan. If such plan is not cancelled then the Condominium Unit shall be purchased according to the following procedures.

If such Owner and the Association can agree on the fair market value thereof, then such sale shall be consummated within thirty (30) days thereafter. If the parties are unable to agree, the date when either party notifies the other that 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 commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an appraiser who shall be a member of the Denver Board of Realtors. If either party fails to make such nomination, the appraiser nominated by the other party shall, within five days after default by the other party, appoint and associate with him another appraiser (to be selected from the Denver Board of Realtors). If the two appraisers designated by the parties, or selected pursuant hereto in the event of the default of one party, are unable to agree, they shall appoint another appraiser (to be selected from the Denver Board of Realtors) 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 persons (each of whom shall be a member of the Denver Board of Realtors), and from the names of the four persons so nominated, one shall be drawn by lot by any judge of any court of record in Colorado, and the name so drawn shall be such umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within ten days of the failure of the two 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, then such decision of the 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 fifteen (15) days thereafter, and the Association, as attorney-in-fact, shall disburse such proceeds as provided in subparagraph 9.3.1, (1) through (5) of this Section.

9.4.2 Sale. Upon a vote equal to or more than 85% of the total votes outstanding, the Owners may agree that the Condominium Units are obsolete and that the same should be sold. Such plan (agreement) must have the unanimous approval of every first mortgagee of record at the time such plan is adopted by the Owners. 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's president and secretary, the entire premises 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 Map and the By-laws. The sales proceeds shall be apportioned between the Owners on the basis of each Owner's interest and such apportioned proceeds shall be paid into separate account, each such account representing one Condominium Unit. Each such account shall be in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each use and disburse the total amount (of each) of such accounts, without contribution from one account to another, for the same purposes and in the same order as is provided in subparagraph 9.3.1, (1) through (5) of this Section.

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

9.5.1 Proceeds. All compensation, damages or other proceeds therefrom, the sum of which is hereafter called the "Condemnation Award" shall be payable to the Association.

9.5.2 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, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners on the same basis of each Condominium Unit Owner's interest in the Common Elements, provided however, that if a standard different from the value of the property as a whole is employed as the measure of 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 last preceding paragraph, 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 subparagraph 9.3.1 (1) through (5).

9.5.3 Partial Taking. In the event that less than the entire Condominium Project is taken or condemned, 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 or to injury to the

Common Elements, shall be apportioned among the Owners on the basis of each owner's interest respectively in the Common Elements; (b) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned; (c) the respective amounts allocated to the taking of or injury to a particular Unit and to the improvements an 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 the allocation of the Condemnation Award is already established in negotiations, judicial decree or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable in the same manner provided in subparagraph 9.3.1 (1) through (5).

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

9.5.4 Reorganization. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association, shall cease to hold any right, title or interest in the remaining Common Elements and shall execute any and all documents necessary to accomplish the same. Thereafter, the Association shall re-allocate the ownership, voting rights and assessment ratio in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners and of first mortgagees of remaining units for amendment of this Declaration as provided in paragraph 4.

10. Reservation to Enlarge and Supplement Condominium Project.

10.1 Declarant, for itself, its successors and assigns, expressly reserves the right to enlarge this Condominium Project by submitting additional real property and improvements to the Condominium Project. Such additions shall be expressed in and by a duly recorded Supplement to this Declaration and by filing for record an additional Section or supplement to the Map. The reference to the Map and Declaration in any instrument shall be deemed to include any supplements to the Map and Declaration without specific reference thereto.

10.2 Such Supplements to this Declaration shall provide for a division of such additionally submitted real property and improvements into Condominium Units. Each Unit shall be separately designated, and each building shall be identified by a symbol or designation dissimilar to any other building in the Condominium Project. The undivided interest in and to the Common Elements appurtenant to each Unit shall not be a part of the Common Elements of the Condominium Units described and initially created by this Declaration and the Map nor a part of the Common Elements of subsequently submitted Condominium Units; provided, however, that all Owners of Condominium Units in this Condominium Project shall have a non-exclusive right in common with all other owners to use of the sidewalks, pathways, driveways and all other General Common Elements within the Condominium Project so designated on the Map and all amendments and Supplements thereto.

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

10.4 As additional Condominium Units are submitted to the Condominium Complex and in order that the Common Expenses of the Condominium Project be shared proportionately and equitably by the Owners of the initially submitted Condominium Units and the Owners of all subsequently submitted additional Condominium Units, the Common Expenses shall be proportionately shared according to the interest of each Unit Owner. This interest shall be for the purpose of computing Common Expenses only; the fraction which is the number of units owned by a particular unit owner divided by the total number of units for which a certificate of occupancy has been issued, including both initially submitted and subsequently submitted Units.

10.5 For the purposes of voting as Association members each Unit owner (including unit owners of subsequently submitted units) who is a class B member of the Association as defined in Article IV of the Articles of Incorporation shall have one vote for each unit owned. Each Unit owner (including unit owners of subsequently submitted units) who is a class A member of the Association as defined in the Articles of Incorporation shall have three votes for each unit owned. The total number of votes outstanding may be expressed by the following equation: number of units for which a certificate of occupancy has been issued owned by class A member multiplied by 3 plus number of units owned by class B members.

10.6 Each Owner shall have the nonexclusive right, together with all other Owners, to use all General Common Areas, open spaces, recreational facilities, grass and landscaping areas and all other areas in the project which are not herein specifically dedicated to the use of less than all of the Owners. This easement shall be irrevocable and shall be for the purposes of ingress and egress, recreational and social use and shall apply to all property hereafter committed to the Condominium Project.

10.7 Although it is contemplated that additional lands may ultimately be committed to this Project, the Declarant, its appointees, successors and assigns, shall have no affirmative obligation to do so. The rights of the Declarant, their appointees, successors and assigns, as defined in this Declaration, shall apply to all properties which are added to this project in accordance with these provisions relating to enlargement thereof.

11. Mechanic's Lien Rights and Indemnification. No labor performed or materials furnished and incorporated in a Unit with the consent or at the request of the Unit Owner or his agent or his contractor or subcontractor shall be the basis for filing of a lien against the Unit of any other Unit Owner not expressly consenting to or requesting the same, or against the General Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners from and against all liability arising from the claim of any lien against the Unit of any other Owner or against the General Common Elements for construction performed or for labor, materials, services or other products incorporated in the Owner's Unit at such Owner's request.

12. Personal Property for Common Use. The Association may acquire and hold for the use and benefit of all the Condominium Owners, real, 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 owned by the Condominium Owners in the same proportion as their respective interest and shall not be transferable except with a transfer of a Condominium Unit. A transfer of a Condominium Unit 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 the other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the beneficial interest in such personal property associated with the foreclosed Condominium Unit.

13. Compliance with Provisions of Declaration, Articles of Incorporation and By-laws of the Association. Each Owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation and By-laws of the Association, and the decisions, resolutions and regulations of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for reasonable fines as established by the Board of Directors, an action to recover sums due and for damages or injunction relief or both, maintainable by the Managing Agent or Board of Managers in the name of the Association on behalf of the Owners or, in a proper case, by an aggrieved Owner.

14. Revocation or Amendment to Declaration.

14.1 Revocation. This Declaration shall not be revoked unless all of the Owners and all of the holders of any recorded mortgage or deed of trust covering or affecting any or all of the Condominium Units unanimously consent and agree to such revocation by instrument(s) duly recorded.

14.2 Amendment. This Declaration shall not be amended unless the Owners so vote by a 75% majority of the total votes outstanding and all of the holders of any recorded mortgage or deed of trust covering or affecting any or all Condominium Units unanimously consent and agree to such amendment by instruments duly recorded.

15. Notices.

15.1 Notice to Owner. Each Owner shall register his mailing address with the Association, and except for monthly statements and other routine notices, all other notices or demands intended to be served upon 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, demands or other notices intended to be served upon the Board of Managers of the Association or the Association shall be sent by certified mail, postage prepaid to Charleston Place Association, Inc., 3600 South Yosemite, Denver, Colorado 80237, until such address is changed by a Notice of Address Change duly recorded in the Office of the Clerk and Recorder of Arapahoe County, Colorado.

16. Period of Condominium Ownership. The separate condominium estates created by this Declaration and the Map shall continue until this Declaration is revoked in the manner and as is provided in paragraph 14.1 of this Declaration.


17. General.

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

17.2 The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado and to all other provisions of law.

17.3 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.

IN WITNESS WHEREOF, Declarant has caused this Declaration to be executed this ___ day of _____, 1978.



Charles E. Rhyne
 ASST. SECRETARY

G.R.C. ENTERPRISES, INC
 By: George C. Riley
 VICE PRESIDENT
Sharon J. Baker
 SHARON BAKER

Judy N. Beckman
 JUDY N. BECKMAN

STATE OF COLORADO)
 CITY AND) ss.
 COUNTY OR DENVER)

PUBLIC: The foregoing Declaration of Covenants, Conditions and Restrictions for Charleston Place, a Condominium was acknowledged before me by George C. Riley as Vice President and by Charles E. Rhyne as Assistant Secretary of G.R.C. ENTERPRISES, INC., a Colorado corporation, this 2nd day of May, 1978.

Aue Diamond
 Notary Public

My commission expires: 8-9-81

STATE OF COLORADO)
) ss.
 COUNTY OF ARAPAHOE)

The foregoing Declaration of Covenants, Conditions and Restrictions for Charleston Place, a Condominium, was acknowledged before me by Sharon Baker, this 1st day of May, 1978.



Robert H. Jones
Notary Public

My commission expires: April 13, 1978

STATE OF COLORADO)
) ss.
COUNTY OF ARAPAHOE)

The foregoing Declaration of Covenants, Conditions and Restrictions for Charleston Place, a Condominium, was acknowledged before me by Judy A. Beckman, this 22 day of MAY, 1978.

Robert H. Jones
Notary Public

My commission expires: April 13, 1982



MAJESTIC SAVINGS AND LOAN ASSOCIATION

By: George W. Pawlowski
George W. Pawlowski, Vice President

STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

The above and foregoing Agreement was subscribed and sworn to before me this 1st day of May, A.D., 1978, by George W. Pawlowski as Vice President of MAJESTIC SAVINGS AND LOAN ASSOCIATION.



My commission expires: 11/26/82

Kathleen H. Jones
Notary Public

EXHIBIT A

All of SUNDANCE VILLAS
City of Aurora, County of Arapahoe,
State of Colorado