



REZONING/DENSITY TRANSFER APPLICATION

Planning & Development Services
455 Mountain Village Blvd.
Mountain Village, CO 81435
970-728-1392
970-728-4342 Fax
cd@mtnvillage.org

Revised 2.26.18

The Planning & Development Services Department is here to assist you with your development application pursuant to the Community Development Code (CDC).

This publication outlines the Rezoning and Density Transfer Development Application processes of the CDC and also provides the submittal requirements for such development applications.

Contents of the Publication

This publication is intended to address the submittal requirements for a Rezoning and Density Transfer Development Applications consistent with the Rezoning Process and, if a density transfer is needed, the Density Transfer Process. However, it is each applicant's responsibility to review the CDC and any associated regulations to ensure a full understanding of the development application process.

Development Review Process

Rezoning and density transfer development applications shall be processed as a class 4 application as provided for in the CDC, with a Design Review Board (DRB) recommendation and Town Council approval. After any required conceptual worksession with the DRB and/or the Town Council, the class 4 development application process generally consists of the following steps:

- Step 1: Pre-submittal Meeting with Applicant and Planning Division**
- Step 2: Applicant Development Application Submittal**
- Step 3: Planning Division Development Application Completeness Check**
- Step 4: Planning Division Development Application Referral and Review**
- Step 5: Planning Division Follow-up Communication**
- Step 6: Applicant Plan Revisions**
- Step 7: Planning Division Schedule Review Authority Public Hearing**
- Step 8: Applicant Public Noticing (Minimum of 30 days prior to hearing)**
- Step 9: Planning Division Preparation of Staff Report**
- Step 10: Design Review Board (Recommendation) and Town Council Public Hearings**
- Step 11: Review Authority Action**
- Step 12: Planning Division Provides Notice of Action**
- Step 13: Effective Date of Application Decision and Appeal**
- Step 14: Length of Validity (Generally 18 months unless longer vesting)**

Development Application Submittal Requirements:

The following forms, information and plans will need to be submitted in order to have a complete development application. Situations will occur when all of the listed submittal requirements will not be required and where items not listed as submittal requirements will be required in order for the Town to have sufficient information to fully evaluate the impacts of a development application. The Planning Division is therefore authorized to



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determine, based on the nature of a development application, whether to waive submittal requirements or require additional submittal requirements.

Submitted (Office Use)	Item No	Submittal Requirements
	1.	Application Form. Completed application form (Attached).
	2.	Fees. \$1,000 for 8 hours; hourly rate thereafter. The applicant and property owner are responsible for paying all Town fees as set forth in the fee resolution, and are also required by the CDC to pay for Town legal fees, the cost of special studies, and other fees as set forth in the CDC. Such fees are considered a condition precedent to having a complete development application, and shall be paid prior to the Town issuing the final approval.
	3.	Proof of Ownership. Copy of current deed or title report on the effected property.
	4.	Agency Letter. If application is not submitted by the owner of the property, a letter of agency, signed by the property owner giving permission to a firm or person to submit the requested land use application (Attached).
	5.	HOA Letter. For development on property that is owned in common by a homeowners association, the development application shall include: A. A letter from the Homeowner's Association (HOA) board giving permission for the application (Attached), and, where a vote is required by the HOA governing documents, a copy of the proof of the vote and outcome of such vote. B. A copy of the HOA governing documents, including bylaws and declaration.
	6.	Title Report. Copy of current title report for the property listing all encumbrances.
	7.	Development Narrative. A written narrative of the development application that outlines the request. The narrative should include a summary of how the application meets the key requirements of the CDC, such as the applicable criteria for decision.
	8.	Existing Condition Plan. A stamped, monumented land survey prepared by a Colorado registered land surveyor showing existing site and surrounding access (driveway or roadway route, utility route, etc.) conditions drawn at a scale of 1" = 10' to a maximum of 1" = 30' showing the following information:
		A. Lot Size. Lot size needs to be shown.
		B. Existing Lot Lines. Existing platted lot lines need to be shown with distances, bearings and a basis of bearing. Existing property pins or monuments found and the relationship to the established corner also need to be shown.
		C. Existing Topography. Existing topography needs to be shown with two foot contour intervals, including spot elevations at the edge of asphalt along any roadway or driveway frontage for the intended accessway at 25 foot intervals.
		D. Steep Slopes. Any slopes that are 30% or greater shall be mapped with a shaded or hatched pattern.
		E. Wetlands, Ponds, Streams or Drainages (if any). Wetlands, ponds, streams and drainages need to be shown. Recent wetland delineation by qualified consultant must be surveyed and shown on proposed site plan for United States Army Corps of Engineers approval. If wetlands are located adjacent to the development site, such wetland area also needs to be shown.



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		F. Easements. Indicated all easements shown on the governing plats and recorded against the property.
		G. Utilities. All underground and above ground utilities and pedestals or transformers need to be shown.
		H. Existing Improvements. Any existing site improvements need to be shown, such as buildings (including driplines), drainage systems, trails (if part of official Town trail system as shown in the Comprehensive Plan), sidewalks, roadways, driveways, light poles and fences.
		I. Fire Mitigation/Forestry Management. A tree survey of all trees with a diameter at breast height of four inches (4") or greater shall be shown to ensure compliance with the fire mitigation and forestry management requirements.
	9.	Proposed Development Plan. The following information shall be submitted for the development application:
		A. Conceptual Site Plan. A conceptual site plan prepared by a qualified consultant (architect, engineer, planner, etc.) in accordance with the applicable regulations of the CDC (Design Regulations, Zoning Regulations, etc.) shall be submitted to show the proposed location of any roads, driveways, buildings, sidewalks, trails, parking areas, amenity areas, plaza areas, or other intended or required development.
		B. Conceptual Grading Plan. A conceptual grading plan prepared by a Colorado registered professional engineer showing how the project can meet the CDC roadway and driveway standards, grading and drainage design requirements and pedestrian connections, as applicable, with proposed grading shown with a solid line and spot elevations as needed.
		C. Conceptual Building Elevations and Floorplans: Conceptual architectural plans prepared by a Colorado licensed architect designed in accordance with the applicable regulations of the CDC (Design Regulations, Zoning Regulations, etc.) including but not limited to building elevations and floorplans with a scale of ¼" = 1' to 1/16" = 1' for larger scale projects.
		D. Computer Massing Model. A computer massing model with interactive viewing capability (360 degree rotation, fly by, etc.) showing the proposed buildings and surrounding development to scale so the land uses and the visual impacts of the project can be evaluated pursuant to the CDC Comprehensive Plan project standards.
		E. Conceptual Landscaping Plan. A conceptual landscaping plan in accordance with the Landscaping Regulations shall be designed and prepared by an American Society of Landscape Architecture certified designer or a landscape professional with experience in creating and planting landscape plans in montane and subalpine life zones.
	10	F. Conceptual Infrastructure Plan. The rezoning development shall include sufficient infrastructure designed by a Colorado registered professional engineer, including but not limited to vehicular and pedestrian access, mass transit connections,



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		<p>parking, traffic circulation, fire access, water, sewer and other utilities.</p> <ul style="list-style-type: none"> i. Conceptual Utility Plan. A conceptual, composite utility plan showing the intended routes for providing water, sewer, electric, cable and telecommunications. ii. Water and Fireflow. For rezonings that require the extension of the Town's water system to serve additional lots for development, water supply and fire flow information shall be provided in accordance with the Fire Code. iii. Evidence of Adequate Water, Sewage Disposal and Utilities. The applicant shall consult with the director of the Public Works Department, San Miguel Power Association and Source Gas prior to the submission of a development application to include statements from such agencies in the application on the availability of utilities to serve the intended development. iv. Conceptual Access Plan. A conceptual access plan providing access to and from the site of the rezoning shall be provided, including any needed infrastructure improvements as may be required by the Subdivision Regulations and the Road and Driveway Standards.
	11	<p>Geotechnical Report. A geotechnical report prepared by Colorado registered professional engineer or geologist shall be provided for all sites that have never been platted and zoned for development, such as a lot that is zoned for open space that is now intended for development as envisioned in the Mountain Village Comprehensive Plan.</p>
	12	<p>Proposed Plat. A draft of the proposed subdivision plat that includes all required plat elements pursuant to the Subdivision Regulations, such as proposed lot lines, easements, rights-of-way, subdivision name, road names, scale (minimum scale is 1" = 20'), north arrow, proposed lot numbering, proposed lot size, title block and legend.</p>
	13	<p>Practicable Alternatives Analysis: For development proposing disturbance to wetlands, the general easement or slopes greater than 30%, the Town may require an applicant prepare a practicable alternatives analysis to demonstrate why it is not practicable to avoid such areas.</p>
	14	<p>Public Improvements Cost Spreadsheet. The developer shall submit a spreadsheet breaking down the cost of the construction of any public facilities or improvements that are necessary for the development, with such spreadsheet providing the line item total cost, unit cost and unit type (EG. Lineal feet, cubic yards, sq. ft.)</p>
	15	<p>Proof of Adequate Density. For rezonings and density transfers that are increasing the free-market density on a site or lot, the owner shall be required to submit evidence of ownership of the density being transferred, with a density bank certificate for density from the density bank. Density may also be concurrently transferred from another lot in the Town provided such lot is a part of the overall rezoning application as provided for in the CDC.</p>
	16	<p>Plan Set Sheet Requirements. All plans sets as set forth in these submittal requirements shall be formatted to have a sheet size of 24" X 36", with cover sheet providing the contact information of all plan consultants, vicinity map, and sheet index; and all sheets</p>



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		showing date of original plan preparation and all revision dates, sheet labels and numbers, borders, title blocks, project name, lot number, address and legends. A. All plans submitted by a Colorado licensed architect, surveyor, geologist or interior designer shall be electronically stamped and signed without a locked signature to allow for commenting on the plan sets.
	17	ePlan Submittal. All development applications shall be submitted pursuant to the ePlans submittal process as outlined in the following publication: https://townofmountainvillage.com/media/ePlans-Electronic-Submittal-and-Review.pdf

Questions and/or comments on ePlans Process can be directed to cd@mtnvillage.org or call 970-728-1392.



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TOWN OF MOUNTAIN VILLAGE FEE REQUIREMENTS ACKNOWLEDGEMENT

The Town of Mountain Village requires specific fees to be paid with a development application including legal and attorney fees associated with processing land development applications, inquiries and review. Please read and acknowledge the below fee requirement which are found at Community Development Code Section 17.4.4. General Provisions Applicable to All Development Application Classes, Section L. Fees.

L. Fees

1. Fee Schedule. The Town Council shall, from time to time, adopt a fee resolution setting forth all development application fees and associated permit fees. Fees for submittals not listed in the fee schedule resolution shall be determined by the Director of Community Development on a case-by-case basis determined by the similarity between the submittal and the development applications listed on the fee schedule together with the estimated number of hours of staff time the review of the submittal will require. No development application shall be processed, nor any development or building permits shall be issued until all outstanding fees or moneys owed by the applicant, lot owner, developer or related entity, as defined by the Municipal Code, to the Town, in any amount for any purpose, including but not limited to any fees, delinquent taxes, required Town licenses, permit fees, court fines, costs, judgments, surcharges, assessments, parking fines or attorney's fees are paid to the Town.

2. Town Attorney Fees. The applicant shall be responsible for all legal fees incurred by the Town in the processing and review of any development application or other submittal, including but not limited to any Town Attorney fees and expenses incurred by the Town in the legal review of a development application together with the legal review of any associated legal documents or issues. Legal expenses so incurred shall be paid for by the applicant prior to the issuance of any permits.

3. Property or Development Inquiries. The Town requires that Town Attorney legal fees and expenses be paid for all development or property inquiries where a legal review is deemed necessary by the Town. The developer or person making the inquiry, whichever the case may be, shall be informed of this obligation and execute a written agreement to pay such legal expenses prior to the Town Attorney conducting any legal review. A deposit may be required by the Director of Community Development prior to the commencement of the legal review.

4. Other Fees. The applicant shall be responsible for all other fees associated with the review of a development application or other submittal conducted by any outside professional consultant, engineer, agency or organization and which are deemed necessary by the Town for a proper review.

5. Recordation Fees. The Community Development Department will record all final plats, development agreements and other legal instruments. The applicant shall be responsible for the fees associated with the recording of all legal instruments.

I have read and acknowledge the fee requirements associated with my application.

Keith Brown, Owner Agent 10/08/2019

(signature required) *Keith Brown*

(date)



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APPLICANT INFORMATION			
Name: Keith Brown, Owner Agent for Julie & Justin Peeler		E-mail Address: keithtelluride@gmail.com	
Mailing Address: 117 Lost Creek Lane, #41-A		Phone: (970) 417-9513	
City: Mountain Village	State: CO	Zip Code: 81435	
Mountain Village Business License Number: 001049 Keith Brown Biz Inc.			
PROPERTY INFORMATION			
Physical Address: 117 Lost Creek Ln. Units 22ABC & Parking Unit 40		Acreage: n/a - Property is Condominium	
Zone District: Village Center	Zoning Designations: Efficiency Lodge	Density Assigned to the Lot or Site: 1.5	
Legal Description: <small>UNITS 22 A B C AND RESIDENTIAL PARKING UNIT 40 BLUE MESA LODGE CONDOS ACC TO 1ST AMENDED PLAT AND DECS OF RECORD LOCATED ON LOT 42B TOWN OF MOUNTAIN VILLAGE PLAT BK 1 PG 2423 SAN MIGUEL COUNTY CO</small>			
Existing Land Uses: Residential Condominium			
Proposed Land Uses: Lodge			
OWNER INFORMATION			
Property Owner: Julie & Justin Peeler		E-mail Address: j.peeler@icloud.com, hunt@machocreeklodge.com	
Mailing Address: PO Box 234		Phone:	
City: Christine	State: TX	Zip Code: 78012	
DESCRIPTION OF REQUEST			
Change from Efficiency Lodge to Lodge			




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**OWNER/APPLICANT
ACKNOWLEDGEMENT
OF RESPONSIBILITIES**

I, Justin Peeler for Julie & Justin Peeler, the owner of Lot 42-B, Units 22-ABC & Parking 40 (the "Property") hereby certify that the statements made by myself and my agents on this application are true and correct. I acknowledge that any misrepresentation of any information on the application submittal may be grounds for denial of the development application or the imposition of penalties and/or fines pursuant to the Community Development Code. We have familiarized ourselves with the rules, regulations and procedures with respect to preparing and filing the development application. We agree to allow access to the proposed development site at all times by member of Town staff, DRB members and the Town Council. We agree that if this request is approved, it is issued on the representations made in the development application submittal, and any approval or subsequently issued building permit(s) or other type of permit(s) may be revoked without notice if there is a breach of representations or conditions of approval. By signing this acknowledgement, I understand and agree that I am responsible for the completion of all required on-site and off-site improvements as shown and approved on the final plan(s) (including but not limited to: landscaping, paving, lighting, etc.). We further understand that I (we) are responsible for paying Town legal fees and other fees as set forth in the Community Development Code.


Signature of Owner Justin Peeler, for Julie & Justin Peeler Date 10/9/2019

Keith Brown
Signature of Applicant/Agent Keith Brown Date 10.08.2019

OFFICE USE ONLY	
Fee Paid:	By:
	Planner:



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OWNER AGENT AUTHORIZATION FORM

I have reviewed the application and hereby authorize Keith Brown of
Keith Brown Biz Inc. to be and to act as my designated representative and represent the development
application through all aspects of the development review process with the Town of Mountain Village.


(Signature)

10/9/2019
(Date)

Justin Peeler, for Julie & Justin Peeler
(Printed name)



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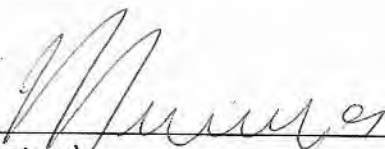
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HOA APPROVAL LETTER

I, (*print name*) Nancy Branyas, the HOA president of property located at Lot 42-B, Units 22-ABC & Parking P 40, provide this letter as written approval of the plans dated 10.08.2019 application for Lodge Rezone which have been submitted to the Town of Mountain Village Planning & Development Services Department for the proposed improvements to be completed at the address noted above. I understand that the proposed improvements include (*indicate below*):

Application by Owners Julie & Justin Peeler, with Keith Brown as Owner-Agent for the rezone from Efficiency Lodge to Lodge of Unit 22ABC and Parking P 40.


(Signature)

10/9/19
(Date)

President
(Title)

Keith Brown
117 Lost Creek Lane, Apt 41-A
Mountain Village, CO 81435 (970) 417-9513

October 11, 2019

**Rezone Application Document Summary for Apt. 22-ABC, 117 Lost Creek Lane, Lot 42-B,
Mountain Village, CO 81435**

I am the Owner Agent for Julie and Justin Peeler for an application for the Rezone to a Lodge designation of Apt. 22-ABC. Below are the documents provided with this application:

- Rezone and Density Transfer Applications with needed signatures
- Application Narrative
- HOA-Town Recorded Document History
- HOA Original Floor Plans
- 2017 renovation floor plans and permits
- Town Resolution dated 10.16.1998 converting to Efficiency Lodge, recording #321828
- HOA 1st Amendment to Declaration dated 10.05.1998 converting Residential Condos to Residential Studio Apartments for Residential Use, recording #321574
- Town Resolution and Density Transfer dated 8.14.1997, recording # 313892
- HOA 2nd Amendment to Declaration dated 3.17.2010 recording # 411615
- HOA Amended By-Laws dated 8.22.2017
- HOA Condo Map dated 11.14.1997
- HOA Articles of Incorporation dated 8.27.1997
- HOA Amended Declaration dated 8.29.1997 recording #314222
- TMV - HOA Agreement dated 4.29.2016 recording #442249
- 22-ABC Assessor's record
- 22ABC Title TBD
- HOA Plat

Thank you,
Most Sincerely, Keith Brown, for Julie and Justin Peeler

Keith Brown
117 Lost Creek Lane, Apt 41-A
Mountain Village, CO 81435 (970) 417-9513

October 11, 2019

Development Narrative for the Rezone to a Lodge designation of Apt. 22-ABC, 117 Lost Creek Lane, Lot 42-B, Mountain Village, CO 81435

I am the Owner Agent for Julie and Justin Peeler for an application for the Rezone to a Lodge designation of Apt. 22-ABC.

The Peelers seek a Rezone to a Lodge designation so the designation is in conformance with the physical attributes and intended uses of the property. The Peelers became owners on the basis the property was a Residential Condo. They would not have purchased and would not have invested in a substantial renovation if an Efficiency Lodge designation had been known. Julie and Justin first learned their condo had an Efficiency Lodge designation in May, 2019.

22-ABC condo is 1,231 square feet with three bedrooms, one living room and 2.5 bathrooms, a full kitchen and a full parking space. 22 A-B-C is currently zoned as 3 Efficiency Lodge units.

The Peelers are the 2nd owner of 22-ABC. The first owner used the condo for short and long term rentals and for owner occupancy. The Peelers purchased 22-ABC in late 2016.

The condo was extensively renovated in 2017. The renovation was approved by the HOA, Town Planning and the Building Department. The renovation eliminated the lock-off hall entrances and separations, removed the kitchenettes, added a window and bedroom and upgraded the the kitchen and full interior.

22-ABC functions now as a single 3 bedroom condo with one entrance and walls open between the 3 units. The condo was designed for and has been used exclusively by the Peelers. I was the interior designer.

The application meets the applicable criteria for a Rezone to a Lodge designation as follows:

A. The proposed rezoning is in General Conformance with the goals, policies and provisions of the Comprehensive Plan (CP) because:

- A Lodge designation of 22-ABC will help promote a rich social fabric within the community (page 9 CP) by allowing use of the property for a multi-generational family. e small-town values are important and people can make social and emotional connections."
- A Lodge designation of 22-ABC is in compliance with the intended mixed-use of the Village Center Zone District.

B. The proposed rezoning is consistent with the Zoning and Land Use Regulations because:

- The Lodge designation is in keeping with the Land Use Plan Policy (page 39 CP) for a Mixed-Use Center.
- Given the prior use and renovation approvals, the applicant believes a designation of Lodge is appropriate and reasonable for 22-ABC.

C. The proposed rezoning meets the Comprehensive Plan project standards because:

- The 22-ABC building was designed, approved, built and managed as a Residential Condominium property.

D. The proposed rezoning is consistent with public health, safety and welfare as well as the efficiency and economy in the use of land and its resources because:

- The 22-ABC building was designed and approved as a residential condominium building and is physically suitable for Lodge use.
- A Lodge designation provides for a higher property valuation and range of use. That in turn helps create pride of ownership and a willingness to upgrade and improve the property beyond interior condo renovations.

The 22-AB owners, along with the other owners of the property made substantial financial and personal contributions in upgrading and maintaining not only condominium interiors but also the building and plaza infrastructure. A partial list of infrastructure improvements includes garage fireproofing (2019), roof drainage, a snow melt system, heat tape safety circuit breakers (2009-2017), extensive waterproofing and plaza repairs (2016) and building structural repairs from snow melt salt damage (2009-10). Additionally the property owners allowed the town an easement to install the Sunset Plaza snow melt system and another easement allowing the town to use delivery vehicles across HOA property.

E. The proposed rezoning is justified because there are the following errors in the current zoning:

- 22-ABC condo as well as other units in the property have been used as long-term residences since the original construction. The history of the property is mixed-use, with long-term occupancy in multiple units, including 22-ABC. The original Lot 42 plat was for Condominium-Commercial, not Efficiency Lodge-Commercial use. Blue Mesa Lodge Lot 42-B had Residential Condominium designation for the first decade, until the 1998 Town resolution that changed the condominiums to Efficiency Lodge designation. There was no removal of full kitchens and no enforcement of the parking obligations (for units other than 22-ABC) in 1998 or afterwards.
- The 22-ABC condo had an original full kitchen and the permitted 2017 renovation upgraded the kitchen, which is in error to an Efficiency Lodge designation.
- The 1997 application for conversion to Efficiency Lodge was at the request of the developer/declarant and not by a properly constituted HOA on behalf of Owners. The developer/declarant then recorded a misleading amended declaration (recording nbr

321574) as part of the HOA governing documents. The amended declaration stated the conversion was from a Residential Condo designation to a 'Residential Studio Apartment' designation 'for Residential use', which is a designation that did not and does not exist. The full chain of buyers (23 past & present owners contacted) thinking they had purchased Residential Condos. In sum, the rezone to Efficiency Lodge appears in error because the purchases and uses were for Residential Condominium.

F. The proposed rezoning shall not create vehicular or pedestrian circulation hazards or cause parking, trash or service delivery congestion because:

- 22-ABC has a full parking space (22-ABC parking space) at the property.

G. The proposed rezoning meets all applicable Town regulations and standards because:

- The subject property was constructed to a Residential Condo standard.
- The Lodge designation allows for the intended use.
- The 22-ABC 2017 renovation was by town permit for uses allowed by a Lodge designation.

We want to thank town Planning and Town Council for considering this application and for the Council direction for the town to consider waiving related application fees.

Thank you,
Most Sincerely, Keith Brown, for Julie and Justin Peeler

The recorded documents below show Blue Mesa Lodge Condominiums (BMLC) were Residential Condominiums from the time of the 1988 Preliminary Plat to the October 16, 1998 Town Resolution that changed the Residential designations to Efficiency Lodge.

On October 05, 1998 the developer recorded an amended BMLC declaration that "Subdivides the Residential Units of the BMLC into RESIDENTIAL STUDIO APARTMENTS which shall be defined as " RESIDENTIAL UNIT" and "RESIDENTIAL UNITS USED FOR RESIDENTIAL PURPOSES".

On October 16, 1998 a Town Resolution converted BMLC from Residential Condominiums to Efficiency Lodge Units.

date	item	description	grantor	grantee	# & link	comments
02/02/88	Mountain Village Preliminary Plat, Mountain Village Core Supplement	ONE Lot (42) is shown on the plat. This one lot includes the future Lot 42-A (Blue Mesa Condominiums) and Lot 42-B (Blue Mesa Lodge Condominiums). Page 2 shows Lot 42 as Condominium Lot Commercial with 15 # of units and 45 zoned population. Other lots, but NOT LOT 42 are shown as Hotel Efficiency Commercial.	Telluride Company	MV Revised Preliminary Plat	Maps T-2-1	Blue Mesa Lodge Condominium was built on a Lot designated as CONDOMINIUM LOT COMMERCIAL. Blue Mesa Lodge Condominium was not built on an Lot designated as Efficiency Lodge Commercial.
12/22/89	PLAT	Replat, creating lot 42a (blue mesa condo) and lot 42b (blue mesa lodge condominium) from Lot 42	Telluride Associates	Telluride Associates	262838	Blue Mesa Lodge Condominiums (BMC, lot 41-B) was initially part of Blue Mesa Condo (BMC, lot 41-A). The 1989 plat is before building construction.
12/22/89	DECLARATION	Declaraation for BMC/BMLC, which are one HOA, identified as Blue Mesa Condo	Telluride Associates	Telluride Associates	262839	This declaration states Residential Condos for BMC and BMLC, which are one HOA.
12/22/89	DEED (transfer)	DEED (transfer) Dunn Brady grantor is Telluride Associates	Dunn Brady	Telluride Associates	262893	Mr. Dunn and Mr. Brady were the developers. They incorporated into Telluride Associates and later were BMLC co-owners and HOA Board members
09/15/94	REPLAT	BMC - BMLC REPLAT. BMLC is shown as part of BMC. The plat incorrectly shows floor plans for BMLC 2-3 floors. The 1991 DRB Final submittal also has plan errors.	Telluride Associates	BMC	294503	The town DRB approved incorrect/ incomplete floor plans for BMLC in 1991. This same error was platted by developer in 1994.
09/05/94	AMENDED DECLARATION	This is a supplement condo declaration to enlarge & supplement the existing BMC lot 42-A with BMLC lot 42-B, with BMLC part of and subject to to BMC Residential condo decs, bylaws & rules & regulations	Telluride Associates	BMC	294504	This declaration states Residential Condo uses in both BMC and BMLC, which are one HOA.
10/05/98	AMENDED DECLARATION	BMLC Declaration amendment - excerpts state: " Subdivides the Residential Units of the BMLC into RESIDENTIAL STUDIO APARMENT UNITS which shall be defined as "RESIDENTIAL UNIT" ...Creates 28 RESIDENTIAL STUDIO APARTMENT UNITS" ..."(28) RESIDENTIAL UNITS USED FOR RESIDENTIAL PURPOSES " . This was by the HOA Presidential Jack Brady, who was the developer (Dunn-Brady and Telluride Associates	Telluride Associates Jack Brady (Developer) acting as HOA President	BMLC	321574	The developer records a misleading to false statement in the owner records saying Blue Mesa Lodge units are RESIDENTIAL STUDIO APARTMENT UNITS USED FOR RESIDENTIAL PURPOSES . This was recorded 11 days before the town changed Blue Mesa Lodge units from Residential Condos to Efficiency Lodge Units.
10/16/98	TMV RESOLUTION	This town of Mountain Village resolution changed BMLC from Residential Condos to Efficiency Lodge Units. This is the ONLY RECORDED DOCUMENT stating Efficiency Lodge Units and this document was not referred to in the BMLC recorded documents.	Town of Mountain Village	Town of Mountain Village	321828	This 1 resolution is the only recorded document stating BMLC has Efficiency Lodge Units and is in conflict with the BMLC amended declaration and other BMLC recorded documents such as Bylaws and Rules & Regulations

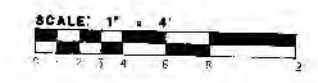
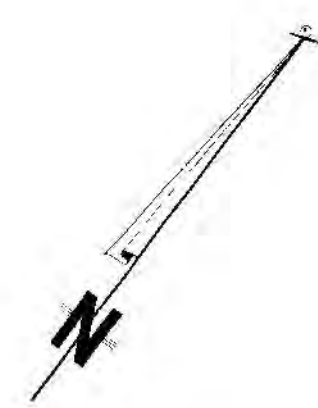
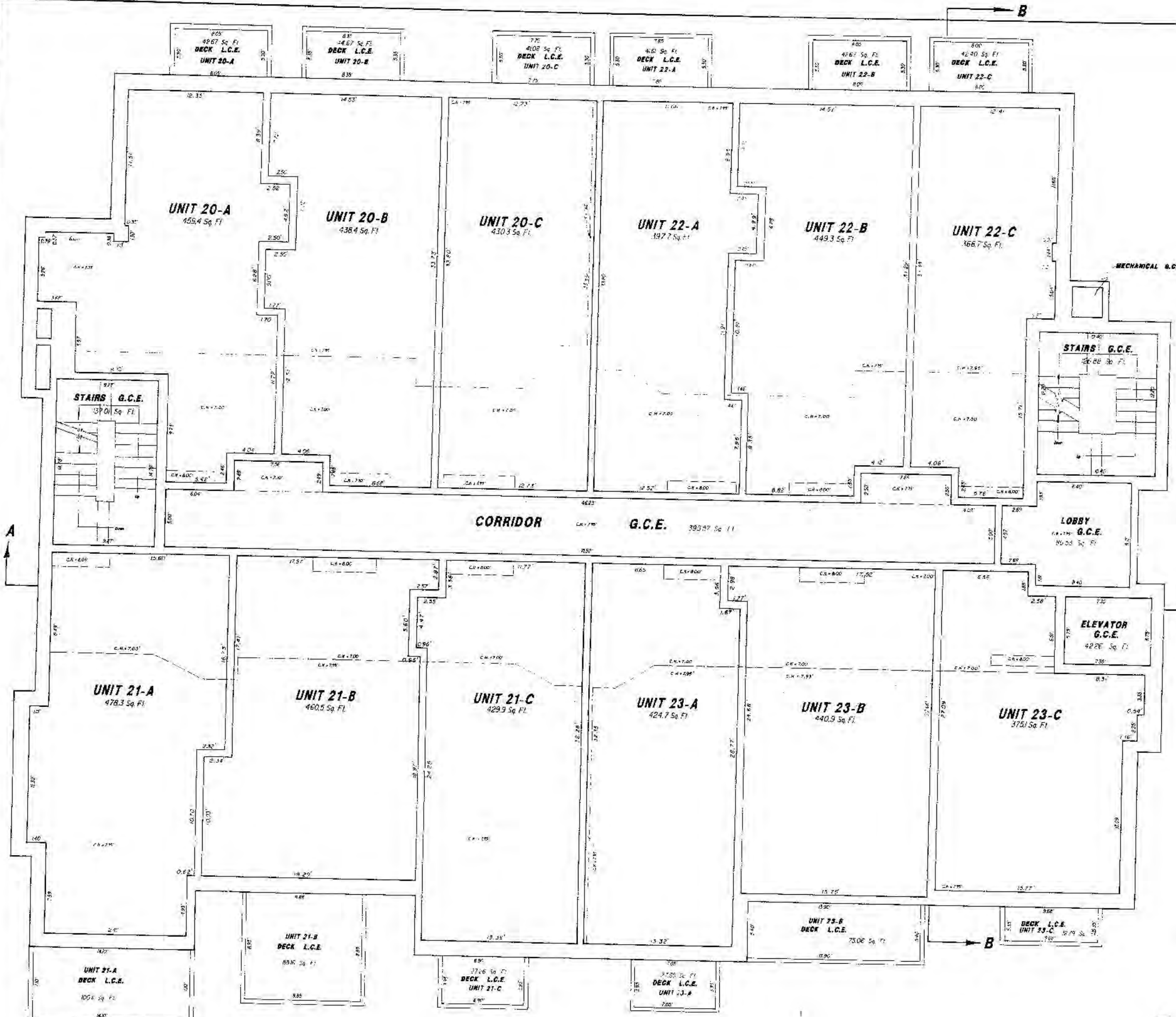
The initial transfers of BMLC units from the developer are mostly at token cost, or by deed in lieu of foreclosure, with retained ownership, to apparent business associates of the developer. These records are from Nov 04, 1994 to Oct. 05, 1998. The developer (declarant) did not appear to meet CClOA criteria (**) for handover to Owner control at the time of the Oct. 16, 1998 town Resolution converting Blue Mesa Lodge Residential Condominiums to Efficiency Lodge Units.

(**) [https://www.ochhoalaw.com/media/documents/Transition_of_Control_of_Owner_Associations_\(00044661\).PDF](https://www.ochhoalaw.com/media/documents/Transition_of_Control_of_Owner_Associations_(00044661).PDF)

11/4/94	Quit Claim Deed	Quit Claim	unit 40 50%, parking p45 50%	\$0	295591
11/4//94	Deed	Deed	unit 31, 60% p45 60%	\$10	295665
11/16/94	Deed	BMLC Deed marked as partial relationship in	unit 20, parking 46 60%	\$0	295760
11/16/94	Hypothecation	Deed for bank loan	unit 20, parking 46	\$10	295761
11/22/94	Deed in lieu of foreclosure	no foreclosure notice in recorded docs	p 28, p31, p 32	\$0	296702
11/22/94	Deed in lieu of foreclosure	no foreclosure notice in recorded docs	Unit 40, P45 50%	\$0	295836
11/11/94	DEED in lieu of foreclosure	no foreclosure notice in recorded docs	unit 33 parking 34	\$0	296705
11/11/94	DEED in lieu of foreclosure	no foreclosure notice in recorded docs	unit 32 parking 36	\$0	296707
12/30/94	Deed	Deed	unit 22abc 50%, parking P36 50%	\$378,000	296533
1/11/95	DEED in lieu of foreclosure	no foreclosure notice in recorded docs	unit 23, parking 35	\$0	296703
1/11/95	DEED in lieu of foreclosure	BMLC DEED in lieu of foreclosure 50% unit 40, parking 45 Len Conway/CSO	50% unit 40 and parking 45	\$0	295836
2/10/95	DEED in lieu of foreclosure	no foreclosure notice in recorded docs	50% unit DEFG parking p47	\$0	297256
10/05/98	REPLAT	BMLC REPLAT with Telluride Associates owning 50% of BMLC 20, 22, 23, 32, 33, 40, 41, and 40% of 31, Len Conway/CSO owning 50% of 23,32,33,40, Peter Ricciardelli owning 60% of 31, Steve Hilbert owning 50% of 20, Tranovich 100% of 21, Cone 50% of 22, Lenzer 50% of 41, Buffone 50% of 40			321572

Below 11 sales are the first arms-length sales from the Developer to Owners. Six of these first sale owners were asked in May 2019 and all thought they purchased RESIDENTIAL CONDOS. None knew of the efficiency lodge designation until May 2019. In total, 21 past and present owners were asked and none knew of the efficiency lodge designation until May 2019.

date	type	unit(s)	amount	rec #
10/16/98	BMLC DEED	unit 20a	\$108,000	321820
10/16/98	BMLC DEED	unit 20b, unit 20c, parking p 46	\$217,000	321823
01/16/01	BMLC DEED	unit 23c, parking p35 2/3	\$125,000	339224
04/26/02	BMLC DEED	unit 33abc, parking P34	\$389,000	348696
06/07/02	BMLC DEED	unit 32B, parking p36 50%	\$160,000	349598
5/28/02	BMLC DEED	unit 23a, unit 23b, parking p35 2/rds	\$263,000	349324
5/16/02	BMLC DEED	unit 32a, parking p36 50%	\$145,000	348306
6/27/02	BMLC DEED	units 41a, 42b, 41c, parking P41	\$640,000	350033
10/18/02	BMLC DEED	unit 40a parking 1/3 p45	\$185,000	352424
5/29/02	BMLC DEED	unit 40b, unit 40c parking p45 2/3	\$525,000	357549
12/08/16	BMLC DEED	unit 22abc, parking p40	\$580,000	445345



SECOND FLOOR PLAN



BUILDING DIVISION
Mountain Village
 455 Mountain Village Blvd Ste. A
 Mountain Village , CO 81435
 970-369-8242 Fax 970-728-4342

BUILDING PERMIT


Permit Number: 2017-MVL-00181

For Inspections call 970-000-0000

Date Issued: 09/05/2017	Contractor/General: Ultra Builders ICNON109096
Job Site Address: 117 LOST CREEK LN 22ABC 22ABC	Plumbing: Controlled Hydronics, M P DJ685441
Property Owner: JUSTIN AND PEELER	Electrical Contractor: Tooker Electric LLC
Mailing Address: 221 PRIMROSE PL SAN ANTONIO , TX 78209	
Phone: H: 830-870-7555	
Parcel ID: 477903112017	

Subdivision: BLUE MESA LODGE	Lot: 42B	Block:	Filing:	Sq. 0
Required Set Backs	North /	South / Back:	East / Right:	West / Left:
Actual Set Backs	North /	South / Back:	East / Right:	West / Left:

TYPE AND VALUE OF BUILDING	FEE ITEMS	# of Each	Amount
	Building Fees - Valuation	100000.00	\$1147.50
	Mountain Village Use Tax	100000.00	\$1800.00
	San Miguel County Use Tax	100000.00	\$400.00
	Road Impact Fee - Remodels	100000.00	\$250.00
	Plan Review Fee 65%	1.00	\$745.88
Type: Alteration			
SubType: Residential			
Category: Residential Remodel			
Valuation: \$100,000.00			
	Total		\$4343.38

Plans Reviewed by:

Description of Work: Change floor layout in living area, remodel two existing bathrooms, add one bedroom, 1/2 bathroom and an exterior window.

There will be no changes to the Livable Square Feet of the apartment, so no additional water/sewer tap are required.

NOTICE

OWNER/CONTRACTOR SIGNATURE OF UNDERSTANDING AND AGREEMENT:
 Revaluation takes place on all permits selected by CBO before certificate of occupancy or a work complete is issued. Permit expires 90 days from the date of last inspection. Post the permit verification card so it is visible from the street. Please request inspections before covering any work. Redlined plans and permit card must be on site. I certify I have permission from the property owner and HOA to perform the described work. I assume full responsibility for compliance with the Town of Mountain Village/Telluride adopted ICC and NFPA codes, Mountain Village Design Regulations, Construction Mitigation, Land Use Ordinance , State of CO Asbestos requirements and all other applicable ordinances, for work under this permit. Plans Subject to Field Inspection.

Signature of Applicant/Date _____ Building Department Signature/Date _____

MUST BE POSTED ON JOB SITE



PLANNING & DEVELOPMENT SERVICE
PLANNING DIVISION
455 Mountain Village Blvd.
Mountain Village, CO 81435
(970) 728-1392

May 31, 2017

Keith Brown
117 Lost Creek Lane, #41A
Mountain Village, CO 81435
Sent via email to: keithtelluride@gmail.com

RE: Design Review Process Application for Lot 42B, units 22 A, B, and C.

Dear Mr. Brown:

The Planning Division staff approved the Design Review Process Application for Lot 42B, units 22 A, B, and C. This approval is for a one new window in unit 22C to match the existing nearby window. This approval is with the following conditions:

- 1. Applicable Town fees and taxes shall be paid prior to commencing the activity or prior to the Town issuing a permit, as applicable, including but not limited to the Town's use tax.*

Length of validity shall be for 18 months from the date of approval, expiring on November 31, 2018. If the development has not commenced, legal instruments not recorded, or a building or development permit has not been issued, as applicable, the approval shall expire unless a Renewal Process development application was approved. Once all of the conditions set forth above are met, unless such condition is deferred until after a building or development permit has been issued, the Town will issue a development permit for the project in accordance with the requirements set forth in the Community Development Code.

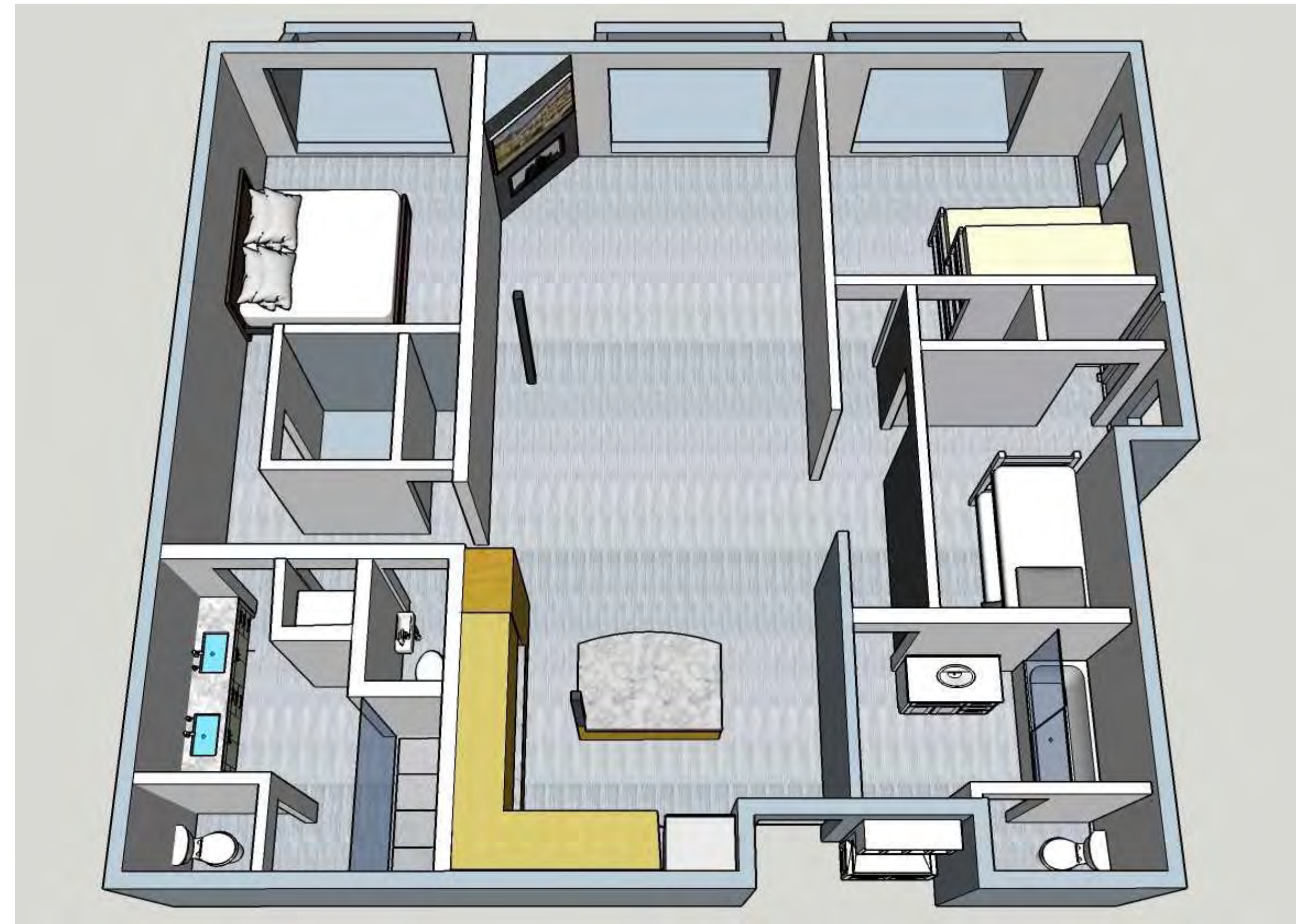
Sincerely,

Dave Bangert
Senior Planner/Forester
Town of Mountain Village
455 Mountain Village Blvd, Suite A
Mountain Village, CO 81435
O :: 970.369.8203
C :: 970.417.1789
F :: 970.728.4342

sheet index

A.1.1 - title page
A.1.2 - vicinity map & site view
A.1.3 - floor plans
A.1.4 - changes
A.1.5 -new measurements
A.1.6 - existing utilities
A.1.7 - sprinklers & detectors
A.1.8 - new lights
A.1.9 - new electric
A.1.10 -22c new venting
A.1.11 - 22c new window
A.1.12 - doors
A.1.13 - floors
A.1.14 - 22a bathroom
A.1.15 - 22c bathroom
A.1.16 - 22c bedroom
A.1.17 - kitchen and columns
A.1.18 - appliances
A.1.19 - 22b tv fireplace wall
A.1.20 - fans and window blinds

A.1.21 - closet shelves & trim



lot 42b unit 22abc

construction
 drawings
 8/10/2017

general notes

electric

1. the contract documents includes the contractual agreement, the drawings and the project binder (specifications, supplemental drawings, addenda and project cut sheets).
2. all required work shall be performed by the genral contractor, unless otherwise noted. all reference to the "contractor" includes the general contractor and his subcontractors: they shall be one and the same.
3. the contractor shall obtain all applicable building permits, all necessary inspections, and the certificate of completion.
4. the contractor is responsible for the conformance of all work to building codes.
5. the contractor is responsible for the protection of the hoa common areas, neighboring properties, and the compliance to all o.s.h.a. requirements.
6. No original or as-built building plans have been located so the contractor is to verify and measure all relevant plumbing locations and condition, wall assemblies, window header and structural columns and beams during demolition.

project team

owner: julie & justin peeler, 221 primrose place, san antonio, tx 78209 (830) 870-7555, jpeeler@satx.rr.com, hunt@macho creeklodge.com

owner agent: keith brown, 117 lost creek ln. #41a, mountain village, CO 81435 (970) 417-9513 keithtelluride@gmail.com

general contractor: ultrabuilders llc., ricky@ultrabuilders.llc.com po box 1835 telluride, co 81435 ph 970 596 1014

architect plan review: gerald ross architects, 114 aldasoro rd. telluride, co 81435 gr@telluridearchitect.com (970) 708-1392

architect 22c window: ben white architecture, 148 elcho ave., #3, crested butte, co 81224 (970) 349-5378 ben@benwhitearchitecture.com

project information

property address: 117 Lost Creek Lane, Unit 22abc, Mountain Village CO 81435 (Blue Mesa Lodge)

legal description: units 22 a b c and residential parking unit 40 blue mesa lodge condos acc to 1st amended plat & dec of record located at lot 42b town of mountain village plat bk1 pg 2423 san miguel county co

project description: residential condo renovation including the addition of one exterior window

zoning designation: residential, mountain village core

square footage summary:

397 s.f. 22 a room
 450 s.f. 22 b room
 369 s.f. 22 c room

 1,216 s.f. 22 a b c - per plat

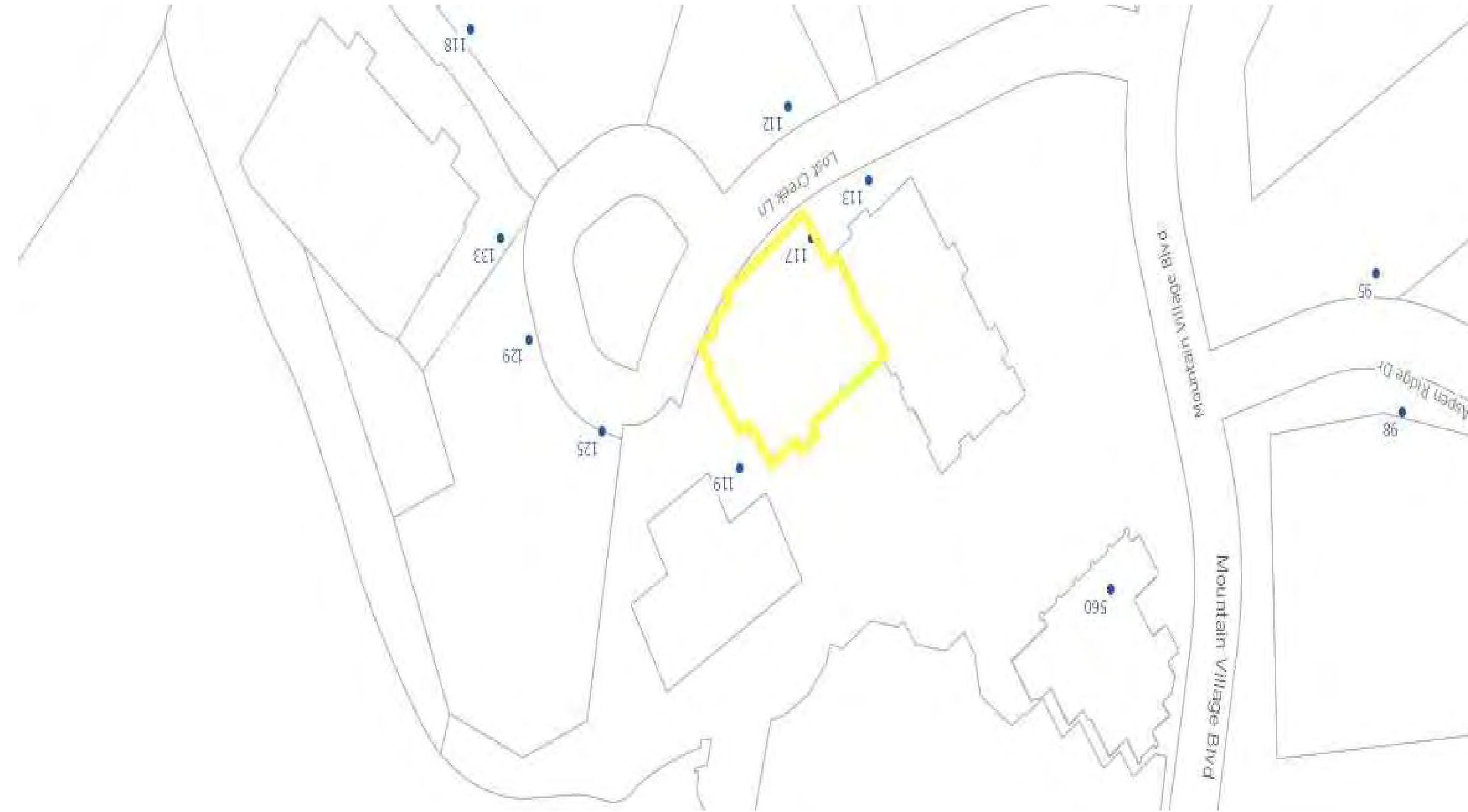


title
 page

A.1.1



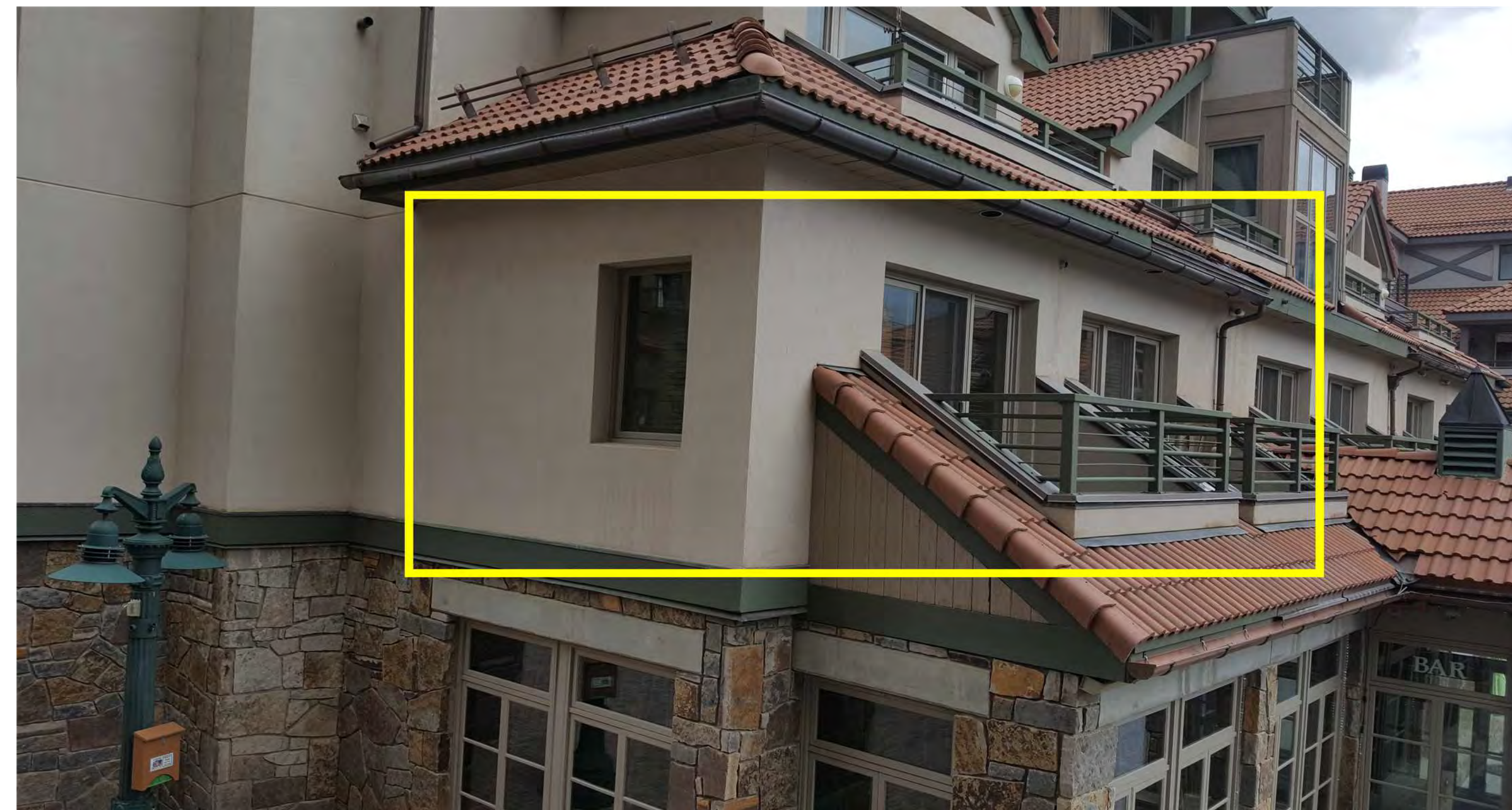
vicinity map



vicinity map



view east from sunset plaza



22abc from the north

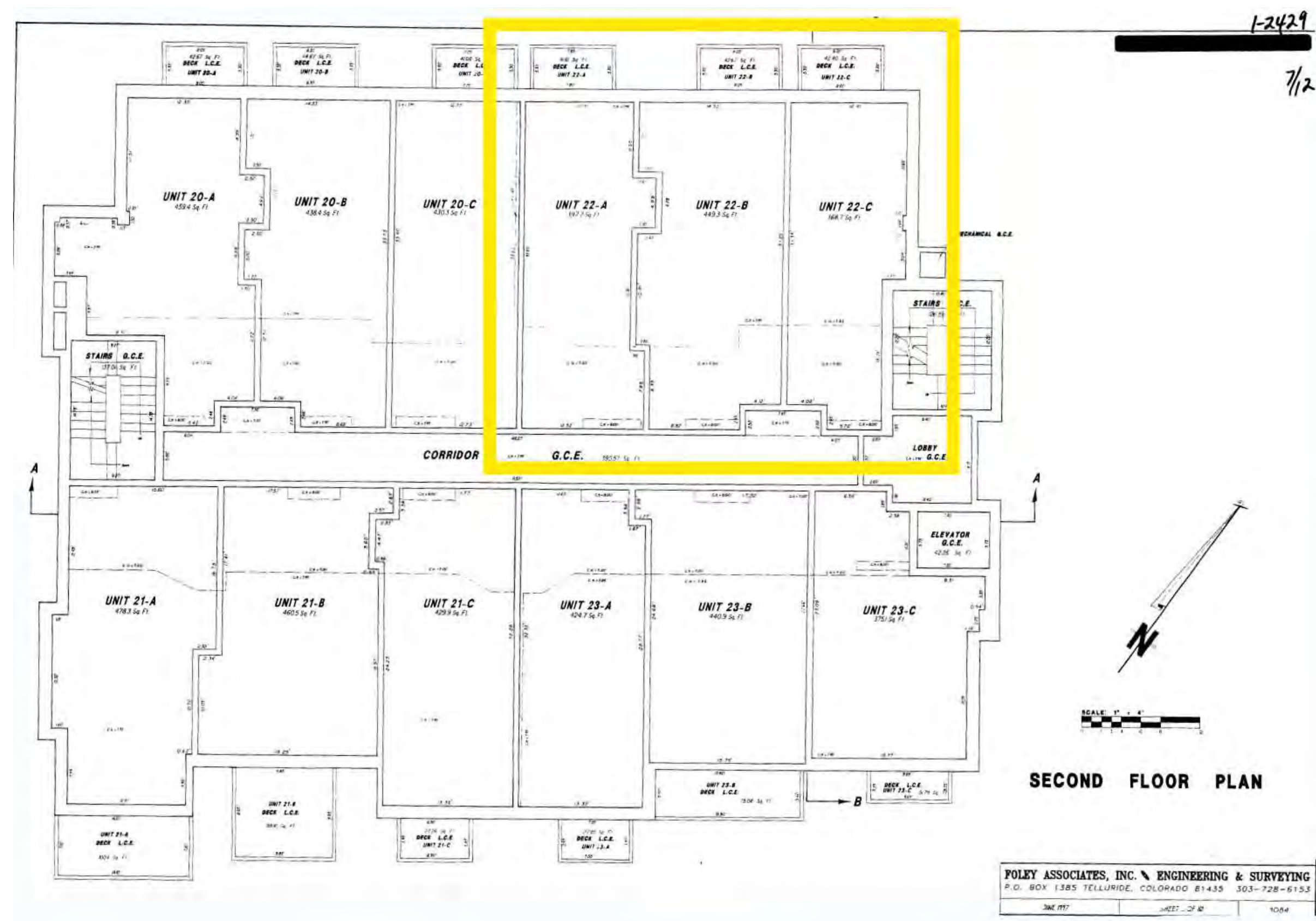
lot 42b unit 22abc

construction
drawings
8/10/2017



vicinity
map &
site views

A.1.2



general notes

22b entrance door is existing self-closing fire door, 1 hour rating

primary walls are 7 inch, secondary walls 5 inch. wall assembly to be same as existing walls with 5/8" drywall on metal studs. existing wall stud specifications to be determined by contractor during demolition.

walls to be sound insulated with R-15 kraft-backed insulation batts.

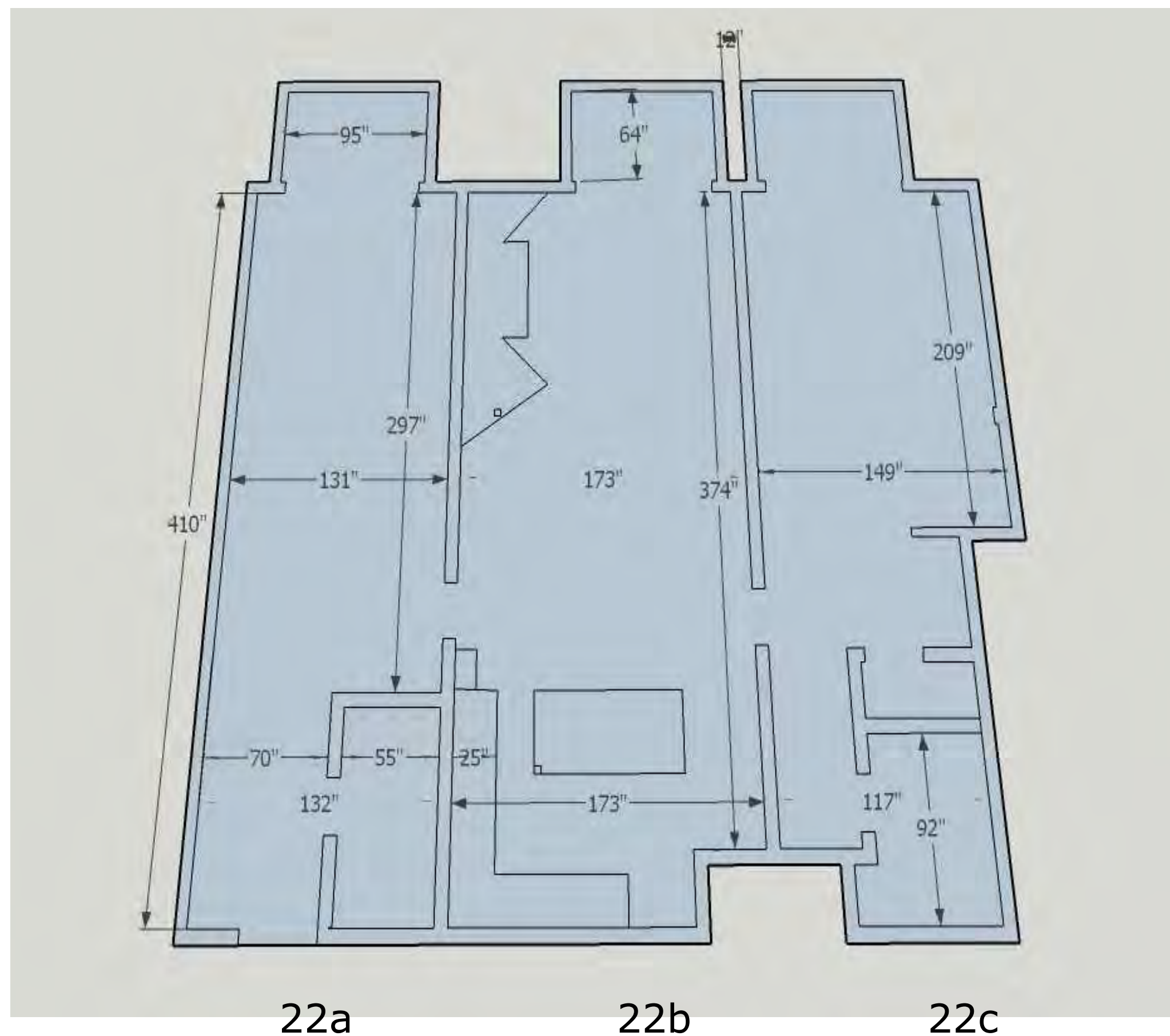
one new window in 22c - see A.1.11

one new vanity bath

lot 42b unit 22abc

construction
drawings
8/10/2017

22abc 2nd floor location



existing floor plan



new floor plan



existing walls

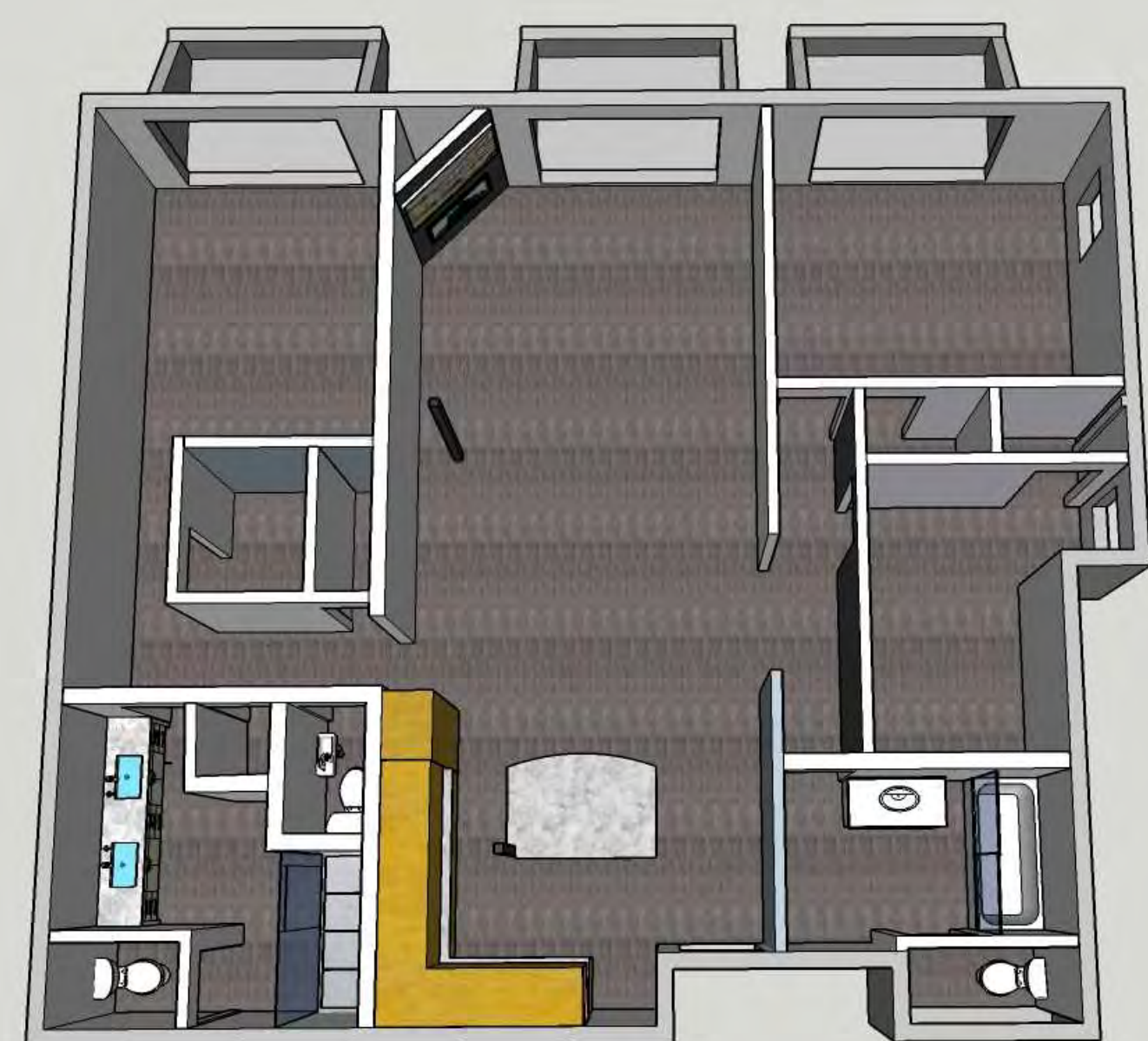


hoa 2nd floor
plan & 22abc
existing &
proposed
floor and wall
plan

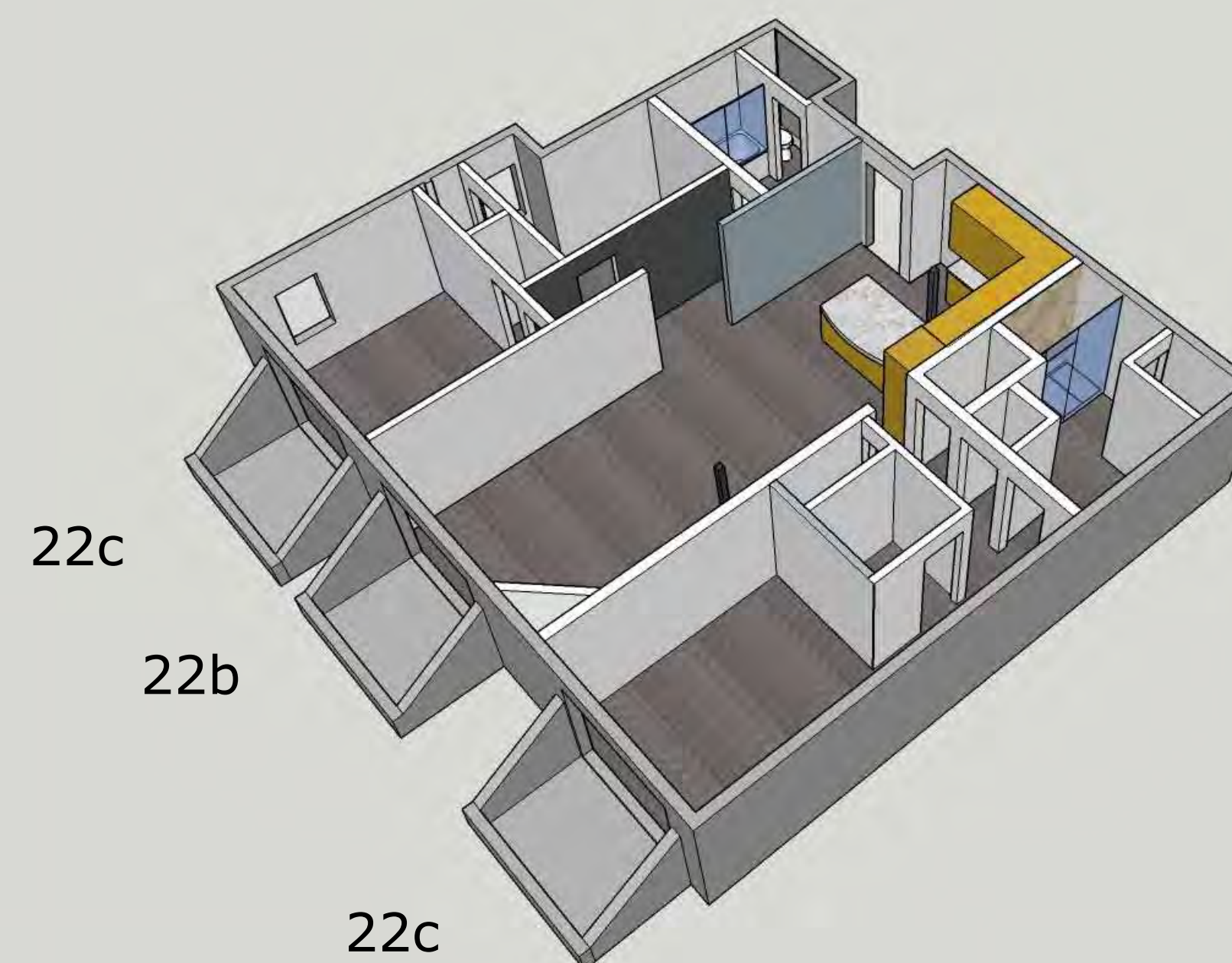
A.1.3

lot 42b unit 22abc

construction
drawings
8/10/2017



22a 22b 22c



22c
22b
22c

22a changes: shower in place of bathtub, toilet room, new double sink counter/cabinet, in floor bathroom heat, washer/drier, guest vanity bathroom, double closet

22b changes: new kitchen appliances, re-finished cabinets, new kitchen island, tv cabinet removed, new gas fireplace

22c changes: additional window, toilet room, walk in shower, new single sink counter/cabinet, in floor bathroom heat, new room, 2 closets

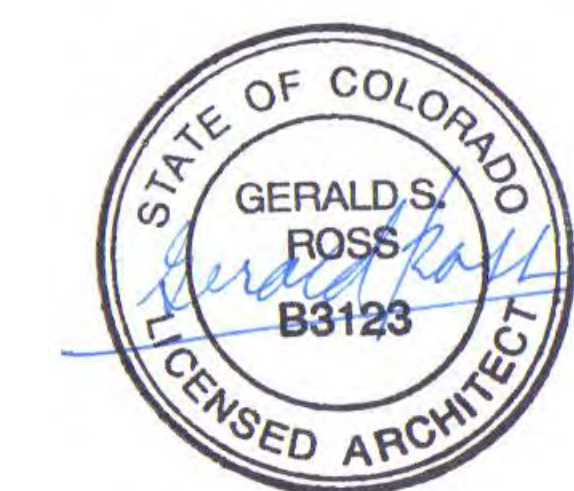
22abc changes: tile floor, led ceiling lights, refinished walls and ceilings, exhaust fans all vents



22c 22b 22a

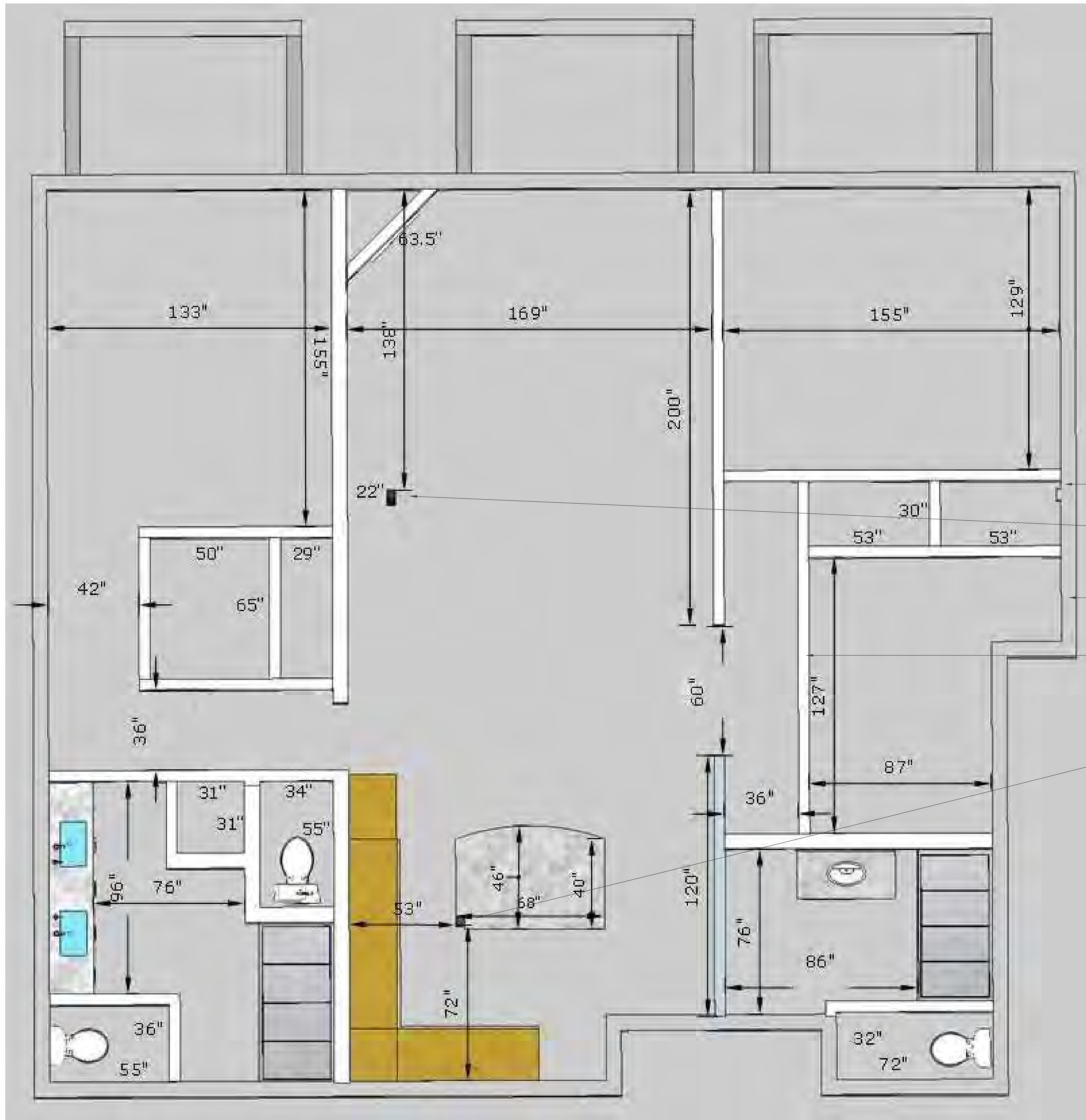


22a
22b
22c



changes

A.1.4



general notes

all shown measurements are wall board to wall board

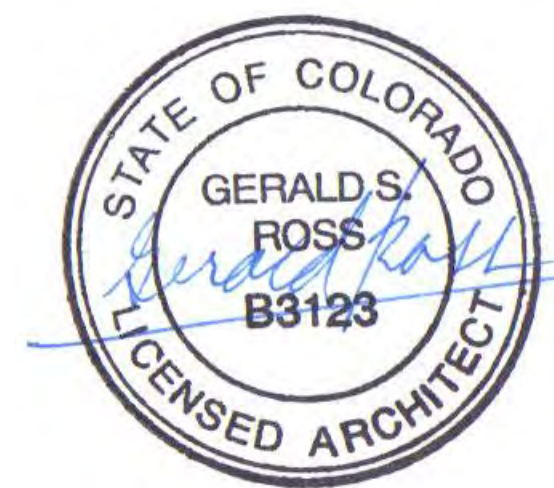
all shown measurements are to be verified on-site by the contractor during demolition and before construction.

critical measurements

- wall column
- 22 b column 1
- new window
- new wall
- 22b column 2

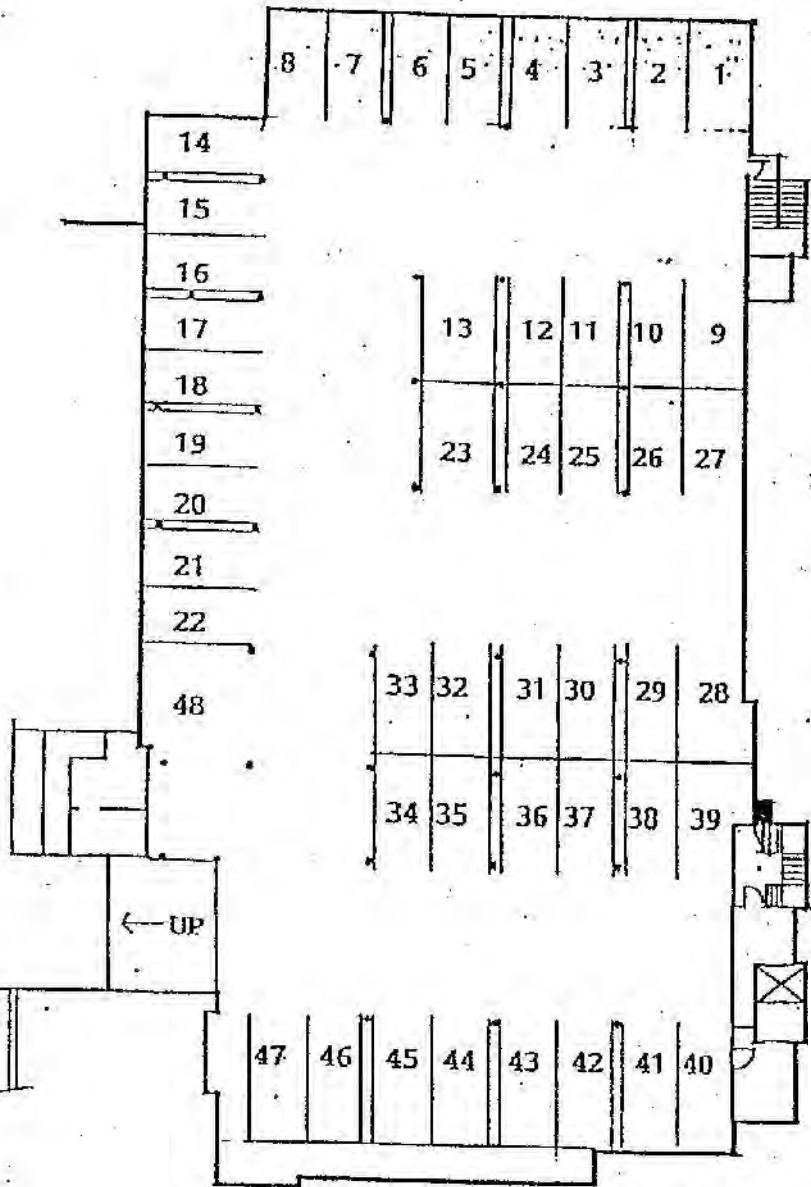
**lot 42b
unit
22abc**

construction drawings
8/10/2017

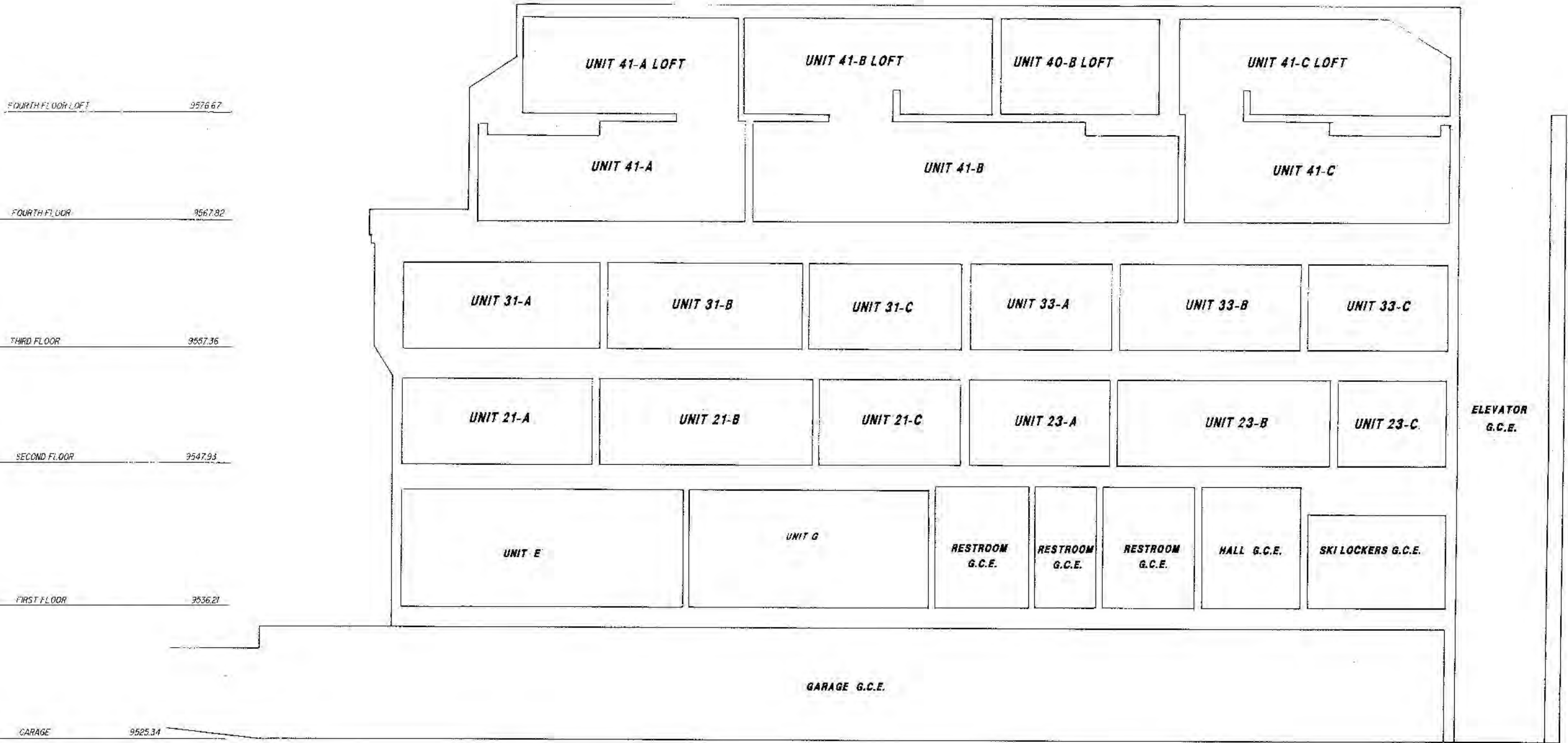


new measurements

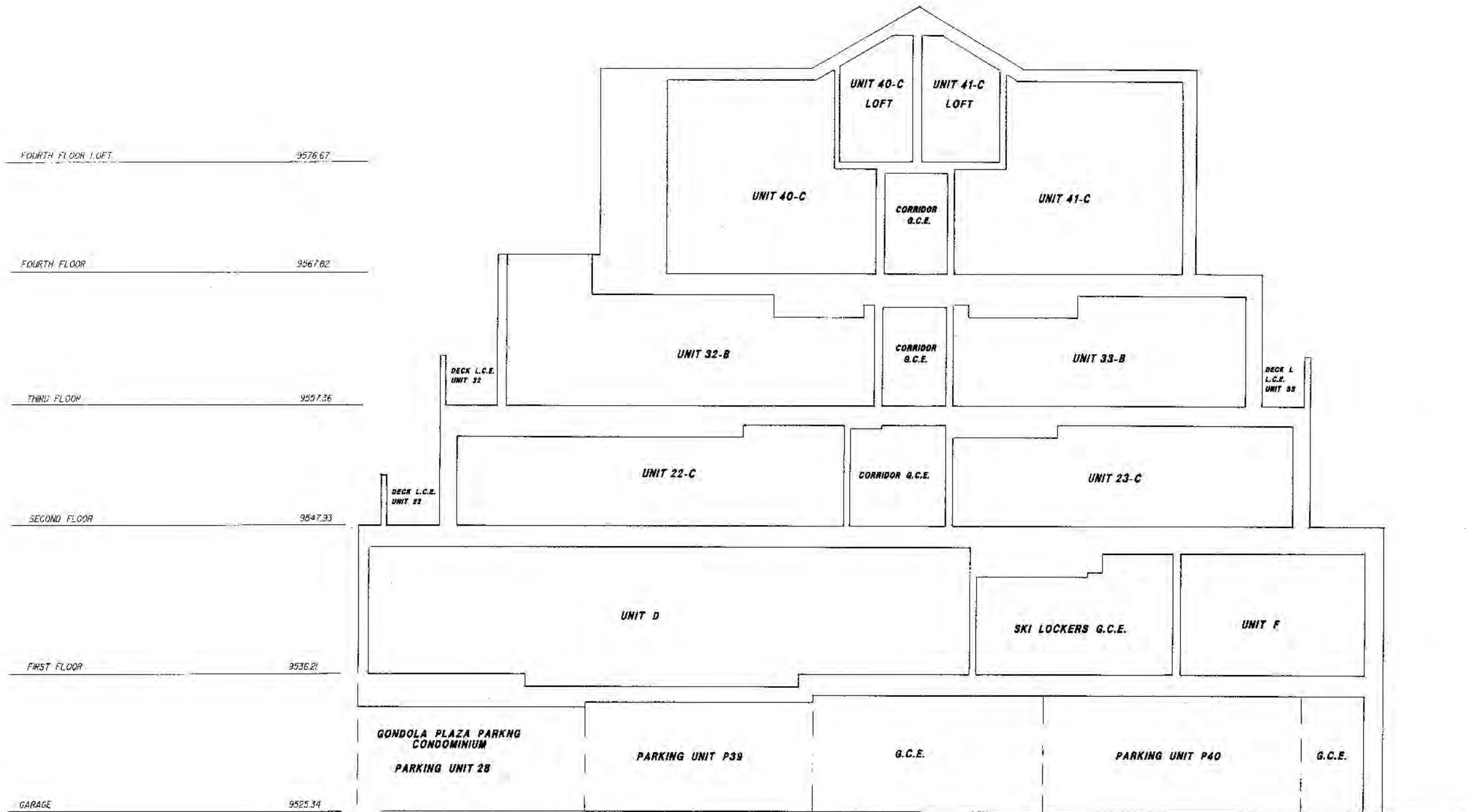
A.1.5



SECTION A-A



SECTION B-B



**FIRST AMENDMENT TO THE AMENDED
DECLARATION OF THE BLUE MESA LODGE CONDOMINIUMS**

THIS FIRST AMENDMENT to the Amended Declaration of the Blue Mesa Lodge Condominiums is made this ___ day of _____, 1998, by the Blue Mesa Lodge Condominium Association, Inc. (the "Association"), pursuant to the provisions of the Amended Declaration of the Blue Mesa Lodge Condominiums, filed for record in the office of the Clerk and Recorder, San Miguel County, Colorado, on August 29, 1997, in Book 586, at Page 258, under Reception Number 314222 (the "Amended Declaration").

RECITALS

- A. The Blue Mesa Lodge Condominium Association, duly convened, and according to the Amended Bylaws of the Blue Mesa Lodge Condominium Association, Inc., the Amended Declaration, and the Colorado Common Interest Ownership Act, C.R.S. Section 38-33.3-101, et. seq., hereby subdivides the Residential Units of the Blue Mesa Lodge Condominiums into Residential Studio Apartment Units, which shall be defined as a "Residential Unit"; and
- B. The subdivision of the Residential Units Blue Mesa Lodge Condominiums creates 28 Residential Studio Apartment Units, from the existing 10 Residential Units, as "Residential Unit" is defined in Section 1.2(r) of the Amended Declaration.
- C. The Association, pursuant to Section 7.1 of the Amended Declaration, possesses the right to subdivide Units, and the Colorado Common Interest Ownership Act, Sections 38-33.3-213, and 38-33.3-217, provides for the subdivision of Units by the Association; and
- D. The Association has taken all steps required by the Amended Declaration, and the Amended Bylaws, to effect this Amendment to the Amended Declaration, and to subdivide the Residential Units of the Blue Mesa Lodge Condominiums into Residential Studio Apartment Units.

NOW THEREFORE, Blue Mesa Condominium Association, Inc., being duly authorized to effect this First Amendment to the Amended Declaration, and having taken those steps necessary and advisable in order to amend the Amended Declaration, hereby amends the Amended Declaration of the Blue Mesa Lodge Condominiums, as follows:

FIRST AMENDMENT TO AMENDED DECLARATION

- 1. Section 1.2(r) of the Amended Declaration is hereby amended as follows:

Section 1.2(r). Residential Unit means a portion of the Blue Mesa Lodge Condominium Community designated and intended for individual ownership for residential use and as described in this Amended Declaration and the Amendment to the Condominium Map for Blue Mesa Condominiums, and the Condominium Map for the Blue Mesa Lodge, dated _____, 19____, and consists of any one of those Studio Apartment Units of the Blue Mesa Lodge Condominium Community each of which is separately identified by the words "Residential Unit" and separately shown on the Amendment to the Condominium Map for Blue Mesa Condominium, and the Condominium Map for the Blue Mesa Lodge, together with the percentage interest in the Common Elements appertaining to that Unit. Residential Unit shall or may include, but not be limited to, Residential Studio Apartment Units.

2. Section 2.3 of the Amended Declaration is hereby amended as follows:

Section 2.3. Number of Units. The number of Units presently included in the Blue Mesa Lodge Condominium Community is forty-two (42), including twenty-eight (28) Residential Units used for residential purposes, four (4) Units used for commercial purposes and fifteen (15) Units used for parking purposes.

3. EXHIBIT A TO THE DECLARATION IS HEREBY AMENDED AS FOLLOWS:

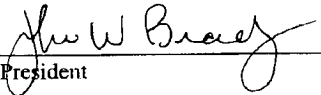
UNIT NUMBER	SQUARE FOOTAGE	USE AND TYPE OF UNIT	% SHARE OF OWNERSHIP IN THE COMMON ELEMENTS	% SHARE OF OWNERSHIP IN THE COMMON EXPENSE LIABILITIES	% SHARE OF OWNERSHIP IN THE AFFAIRS OF THE ASSOCIATION
20A	459.4	Residential Unit	0.02068	0.02068	0.02068
20B	438.4	Residential Unit	0.02068	0.02068	0.02068
20C	430.3	Residential Unit	0.02068	0.02068	0.02068
21A	478.3	Residential Unit	0.02120	0.02120	0.02120
21B	460.5	Residential Unit	0.02120	0.02120	0.02120
21C	429.9	Residential Unit	0.02120	0.02120	0.02120
22A	397.7	Residential Unit	0.01904	0.01904	0.01904
22B	449.3	Residential Unit	0.01904	0.01904	0.01904
22C	368.7	Residential Unit	0.01904	0.01904	0.01904
23A	424.7	Residential Unit	0.01925	0.01925	0.01925
23B	440.9	Residential Unit	0.01925	0.01925	0.01925
23C	375.1	Residential Unit	0.01925	0.01925	0.01925
30A	386.2	Residential Unit	0.02218	0.02218	0.02218
30B	576.8	Residential Unit	0.02218	0.02218	0.02218
31A	492.4	Residential Unit	0.02090	0.02090	0.02090
31B	426.4	Residential Unit	0.02090	0.02090	0.02090
31C	439.3	Residential Unit	0.02090	0.02090	0.02090
32A	514.3	Residential Unit	0.02411	0.02411	0.02411
32B	539.8	Residential Unit	0.02411	0.02411	0.02411
33A	423.5	Residential Unit	0.01822	0.01822	0.01822

33B	424.0	Residential Unit	0.01822	0.01822	0.01822
33C	340.3	Residential Unit	0.01822	0.01822	0.01822
40A	469.0	Residential Unit	0.02812	0.02812	0.02812
40B	834.2	Residential Unit	0.02812	0.02812	0.02812
40C	540.1	Residential Unit	0.02812	0.02812	0.02812
41A	541.3	Residential Unit	0.03000	0.03000	0.03000
41B	796.0	Residential Unit	0.03000	0.03000	0.03000
41C	572.3	Residential Unit	0.03000	0.03000	0.03000

4. All other provisions of the Amended Declaration not specifically amended hereby shall remain in full force and effect.
5. The Condominium Map shall be amended, and the amendment duly recorded in the office of the Clerk and Recorder, San Miguel County, Colorado, to reflect the subdivision of Units as set forth in this Amendment to the Amended Declaration, into Residential Studio Apartment Units.
6. Pursuant to Section 7.4 of the Amended Condominium Declaration, the consent of Unit Owners or holders of Security Interests is not required to effect this subdivision of Residential Units into these Residential Studio Apartment Units.

Executed the day and year first above written.

BLUE MESA LODGE CONDOMINIUM ASSOCIATION, INC.

by: 
its: President

**RESOLUTION OF THE TOWN COUNCIL
TOWN OF MOUNTAIN VILLAGE
MOUNTAIN VILLAGE, COLORADO
FOR THE DENSITY TRANSFER OF
LOT 42B**

Resolution No. 1995 - 1128 - 14

**Whereas, Telluride Associates is the owner of record of real property described as Lot 42B
Town of Mountain Village;**

**Whereas, Al Testa, on behalf of The Telluride Ski and Golf Company, (applicant) have requested
approval of a Rezone and Density Transfer of Lot 42B;**

Whereas, the duly recorded plat of lot 42B designates the following:

8 Condominium 24 Population Density

**Whereas, Lot 42B was designated 8 Condominium Units, 4 Hotel Units as a part of the Revised
1992 Preliminary Plat for the Telluride Mountain Village PUD and;**

**Whereas, in compliance with the Revised 1992 Preliminary Plat for the Telluride Mountain
Village and the provisions of Section 3.5.2 of the Town of Mountain Village Land Use Ordinance
and with due consideration of the matters set forth in the application filed, this applicant seeks the
rezone and density transfer as follows:**

8 Condominium 24 Population Density
4 Hotel 6 Population Density

**Whereas, after considering this application the Design Review Board recommended approval
subject to the condition that the density transfer does not increase the overall zoned population of
the Mountain Village Master Plan and receiving all required certifications prior to the Mayor's
signature and recordation; and**

**Whereas, the Town of Mountain Village, Town Council considered this application, along with
evidence and testimony, at a public hearing on November 28, 1995.**

**Now, Therefore, Be It Resolved that the Town Council of the Town of Mountain Village,
Mountain Village Colorado, hereby recommends approval of the Density Transfer of Lot 42B,
Mountain Village, subject to the receiving all required certifications prior to the Mayor's signature
and recordation and authorizes the Mayor to sign the Resolution**

1995-1128-14

Be It Further Resolved that Lot 42B may be developed in accordance with Resolution NO. as follows:

8 Condominium 24 Population Density
4 Hotel Lodge Units 6 Population Density

Subject to the condition that the density transfer does not increase the overall zoned population of the Mountain Village Master Plan.

Approved by the Town Council, Town of Mountain Village at a public ^{meeting} hearing on November 28, 1995.

Town of Mountain Village, Town Council

by: Darrell A. Huschke
Darrell Huschke, Mayor

RECORDERS CERTIFICATE

This certificate of transfer was filed for record in the office of the County Clerk and Recorder of San Miguel County on this _____ day of _____, 19__.

Book No. _____

Page No. _____

Reception No. _____

County Clerk

**SECOND AMENDMENT TO THE AMENDED DECLARATION
OF THE BLUE MESA LODGE CONDOMINIUMS, AMENDING EXHIBIT A**

THIS SECOND AMENDMENT to the Amended Declaration of the Blue Mesa Lodge Condominiums is made this 16th day of March, 2010, by the Blue Mesa Lodge Condominiums Association, Inc. (the "Association"), pursuant to the provisions of the Declaration of the Blue Mesa Lodge Condominiums, filed for record in the office of the Clerk and Recorder, San Miguel County, Colorado, on August 29, 1997, in Book 586, at Page 258, under Reception Number 314222 (the "Amended Declaration").

RECITALS

- A. The Blue Mesa Lodge Condominium Association, duly convened, and according to the Amended Bylaws of the Blue Mesa Lodge Condominium Association, Inc., the Amended Declaration, and the Colorado Common Interest Ownership Act, C.R.S. Section 38-33.3-101, et. seq, hereby transfers the first floor hallway and bathrooms, a part of the Common Elements of the Blue Mesa Lodge Condominium, to Commercial Unit D of the Blue Mesa Lodge Condominiums.
- B. The transfer of the first floor hallway and bathrooms, formerly a part of the Common Elements of the Blue Mesa Lodge Condominium, to Commercial Unit D, will increase the square footage of Commercial Unit D from 3,355.00 sq. feet to 3,947.24 sq. feet. "Commercial Unit" is defined in Section 1.2 (e) of the Amended Declaration.
- C. This action was taken following approval by a vote of the Members of the Condominium Association. The vote was conducted in accordance in the terms of the Condominium Declaration.
- D. None of the holders, insurers or guarantors of a first lien securing interests in the affected units, after due written notice, has objected to this adjustment in condominium boundaries.
- E. The Association has taken all steps required by the Amended Declaration, and the Amended Bylaws, to effect this Second Amendment to the Amended Declaration.

NOW THEREFORE, Blue Mesa Condominium Association, Inc., being duly authorized to effect this Second Amendment to the Amended Declaration, and having taken those steps necessary and advisable in order to amend the Amended Declaration, hereby amends the Amended Declaration of the Blue Mesa Lodge Condominiums, as follows:

SECOND AMENDMENT TO AMENDED DECLARATION

The first floor hallway and bathrooms will no longer be a part of the Common Elements of the Blue Mesa Lodge Condominiums, but instead are now a part of the Commercial Condominium Unit D.

Exhibit A of the Amended Declaration is hereby amended as follows: (Attached hereto).

AMENDED BYLAWS

OF

*BLUE MESA LODGE CONDOMINIUM
ASSOCIATION, INC.*

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**AMENDED BYLAWS
OF
BLUE MESA LODGE CONDOMINIUM
ASSOCIATION, INC.**

RECITALS:

A. The Blue Mesa Condominiums were originally created by a Declaration recorded in Book 461, at Page 26 under reception No. 262839 of the real estate records of San Miguel County (the "Declaration"), and by a Condominium Map recorded December 22, 1989 in Plat Book 1 at Page 972 of the San Miguel County real estate records (the "Original Condominium Map"). The building subject to the foregoing documents has been referred to and is commonly known as the Blue Mesa Condominiums.

B. The Declaration was amended by an instrument titled First Amendment to the Condominium Declaration for Blue Mesa Condominium recorded September 14, 1994, in Book 534, Page 954 of the records of the San Miguel County Clerk and Recorder. The Declaration, as amended, is defined as the "Original Declaration."

C. The Original Declaration was amended and supplemented by an instrument titled Supplement to Condominium Declaration for Blue Mesa condominium recorded September 15, 1994, in Book 535, at Page 29, in the records of the Clerk and Recorder of San Miguel County, Colorado (the "Supplemental Declaration"). The Original Condominium Map was amended and supplemented by an instrument titled First Supplement to Condominium Map for Blue Mesa Condominium, recorded September 15, 1994, in Plat Book 1 at Page 1740 of the San Miguel County real estate records, (the "Supplemental Condominium Map"). The building subject to just the foregoing documents has been referred to and is commonly known as the Blue Mesa Lodge Condominiums.

D. The Blue Mesa Condominium Association, a Colorado nonprofit corporation, was originally the association of unit owners authorized to administer the entire Blue Mesa Condominium Community, as established by the Original Declaration, the Original Condominium Map, the Supplemental Declaration and the Supplemental Condominium Map, for the purposes of managing common expenses and assessments and managing and operating the entire Blue Mesa Condominium Community.

E. The Owners of Units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association have divided or are dividing the entire Blue Mesa Condominium Community into two separate Condominium Communities, one of which consists of solely the property subject to the Original Declaration and the Original Condominium Map, and which Condominium Community is now known as and has been referred to as the Blue Mesa Condominiums (amended). The other of which consists of solely the property subject to the

Supplemental Declaration and the Supplemental Condominium Map, and which Condominium Community is now known as and has been referred to as the Blue Mesa Lodge Condominiums.

F. The Owners of Units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association, as a part of amendments to the Original Declaration, the Original Condominium Map, the Supplemental Declaration and the Supplemental Condominium Map, wish to allocate management of the separate Condominium Communities to separate owner associations, with the owners association for the amended Blue Mesa Condominium Community being the Blue Mesa Condominium Association and the owners association for the Blue Mesa Lodge Condominium Community being the Blue Mesa Lodge Condominium Association, Inc. Further, the Owners of units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association, as a part of those amendments, wish to amend the Bylaws for the Blue Mesa Condominiums (amended) and for the Blue Mesa Condominium Association to exclude the owners of the Blue Mesa Lodge Condominiums from the Blue Mesa Condominium Association and the Blue Mesa Lodge Association wishes to adopt these Amended Bylaws, all as set forth below.

NOW, THEREFORE, the Bylaws of the Blue Mesa Condominium Association are amended to exclude the owners of the Blue Mesa Lodge Condominiums from the Blue Mesa Condominium Association, and the Blue Mesa Lodge Association adopts the Bylaws as set forth below, as to the real property described in the Supplemental Declaration and in the Supplemental Condominium Map:

ARTICLE 1 - INTRODUCTION AND PURPOSE

Section 1.1 Introduction. These are the Bylaws of the Blue Mesa Lodge Condominium Association, Inc., which Association shall operate under the Colorado Nonprofit Corporation Act, as amended, and applicable portions of the Colorado Common Interest Ownership Act, as amended ("Act").

Section 1.2 Purposes. The purposes for which the Blue Mesa Lodge Condominium Association was formed are to preserve and enhance the value of the properties of members and to govern the Condominium Community and the Common Elements of the "Blue Mesa Lodge Condominiums," a Condominium Community situated in the County of San Miguel, State of Colorado, as the Blue Mesa Lodge Condominium Community was originally created pursuant to the Supplemental Declaration and the Supplemental Map as those instruments have now been or are in the process of being amended by an Amended Declaration of the Blue Mesa Lodge Condominiums, as that Amended Declaration and Supplemental Map may be further amended from time to time. Terms which are defined in the Amended Declaration of the Blue Mesa Lodge Condominiums shall have the same meaning herein, unless defined otherwise in these Bylaws.

Section 1.3 Persons Subject to Bylaws. All present or future Owners, tenants, future tenants, guests or any person that might use or occupy, in any matter, the facilities within the Blue Mesa Lodge Condominium Community, are subject to the terms and provisions of these Bylaws, and the other governing documents ("Documents") of the Blue Mesa Lodge Condominium Community. The mere acquisition, rental or use of a Unit will signify that the Documents of the Blue Mesa Lodge Condominium Community are acceptable, ratified and will be complied with.

ARTICLE 2 - BOARD

Section 2.1 Number and Qualification.

(a) The affairs of the Blue Mesa Lodge Condominium Community and the Blue Mesa Lodge Condominium Association shall be governed by an Executive Board which shall consist of three persons. If any Unit is owned by a partnership, corporation, limited liability company, trust or any other entity, any officer, partner, trustee or employee of that Unit Owner shall be eligible to serve as a Director and shall be deemed to be a Unit Owner for the purposes of these Bylaws. At any meeting at which Directors are to be elected, the Owners may, by resolution, adopt specific procedures which are not inconsistent with these Bylaws or the Colorado Nonprofit Corporation Act for conducting the elections.

(b) The terms of at least one-third of the Directors shall expire annually.

(c) The Executive Board shall elect the officers. The Directors and officers shall take office upon election.

Section 2.2 Powers and Duties. The Executive Board may act in all instances on behalf of the Blue Mesa Lodge Condominium Association, except as provided in the Amended Declaration of the Blue Mesa Lodge Condominiums and these Bylaws or applicable portions of the Act. The Executive Board shall have, subject to the limitations contained in the Amended Declaration of the Blue Mesa Lodge Condominiums, and applicable portions of the Act, the powers and duties necessary for the administration of the affairs of the Blue Mesa Lodge Condominium Association and of the Blue Mesa Lodge Condominium Community, including the following powers and duties:

- (a) Adopt and amend Bylaws and Rules and Regulations;
- (b) Adopt and amend budgets for revenues, expenditures and reserves;
- (c) Collect assessments for Common Expenses from Unit Owners;

- (d) Hire and discharge managing agents;
- (e) Hire and discharge employees, independent contractors and agents other than managing agents;
- (f) Institute, defend or intervene in litigation or administrative proceedings or seek injunctive relief for violations of the Amended Declaration of the Blue Mesa Lodge Condominiums, Bylaws or Rules in the Association's name, on behalf of the Blue Mesa Lodge Condominium Association or two or more Unit Owners on matters affecting the Blue Mesa Lodge Condominium Community;
- (g) Make contracts and incur liabilities;
- (h) Regulate the use, maintenance, repair, replacement and modification of Common Elements;
- (i) Cause additional improvements to be made as a part of the Common Elements;
- (j) Acquire, hold, encumber and convey, in the Association's name, any right, title or interest to real estate or personal property, but Common Elements may be conveyed or subjected to a security interest only pursuant to Section 312 of the Act;
- (k) Grant easements for any period of time, including permanent easements, and grant leases, licenses and concessions for no more than one year, through or over the Common Elements;
- (l) Impose and receive a payment, fee or charge for services provided to Unit Owners and for the use, rental or operation of the Common Elements other than Limited Common Elements described in Subsections 202(1)(b) and (d) of the Act;
- (m) Impose a reasonable charge for late payment of assessments and, after notice and hearing, levy reasonable fines for a violation of the Amended Declaration of the Blue Mesa Lodge Condominiums, Bylaws, Rules and Regulations of the Blue Mesa Lodge Condominium Association;
- (n) Impose a reasonable charge for the preparation and recording of amendments to the Amended Declaration of the Blue Mesa Lodge Condominiums or statements of unpaid assessments;
- (o) Provide for the indemnification of the Association's Officers and the Executive Board and maintain Directors' and Officers' liability insurance;

(p) Exercise any other powers conferred by the Amended Declaration of the Blue Mesa Lodge Condominiums or Bylaws;

(q) Exercise any other power that may be exercised in the state by a legal entity of the same type as the Blue Mesa Lodge Condominium Association;

(r) Exercise any other power necessary and proper for the governance and operation of the Blue Mesa Lodge Condominium Association; and

(s) By resolution, establish committees of Directors, permanent and standing, to perform any of the above functions under specifically delegated administrative standards as designated in the resolution establishing the committee.

Section 2.3 Manager. The Executive Board may employ a manager for the Blue Mesa Lodge Condominium Community, at a compensation established by the Executive Board, to perform duties and services authorized by the Executive Board. The Executive Board may delegate to the manager only the powers granted to the Executive Board by these Bylaws under Section 2.2, subdivisions (c), (e), (g) and (h). Licenses, concessions and contracts may be executed by the manager pursuant to specific resolutions of the Executive Board and to fulfill the requirements of the budget. Regardless of any delegation to a manager or managing agent, the members of the Executive Board shall not be relieved of responsibilities under the Amended Declaration of the Blue Mesa Lodge Condominiums, the Articles of Incorporation, these Bylaws or Colorado law.

Section 2.4 Removal of Directors. The Owners, by a vote of at least two-thirds of the votes at any meeting of the Owners at which a quorum is present, may remove a Director.

Section 2.5 Vacancies. Vacancies in the Executive Board, caused by any reason other than the removal of a Director by a vote of the Unit Owners, may be filled at a special meeting of the Executive Board held for that purpose at any time after the occurrence of the vacancy, even though the Directors present at that meeting may constitute less than a quorum. Each person so elected or appointed shall be a Director for the remainder of the term of the Director so replaced.

Section 2.6 Regular Meetings. The first regular meeting of the Executive Board following each annual meeting of the Unit Owners shall be held after the annual meeting or at a time and place to be set by the Executive Board. No notice shall be necessary to the newly elected Directors in order to legally constitute such meeting, provided a majority of the Directors are present. The Executive Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings.

Section 2.7 Special Meetings. Special meetings of the Executive Board may be called by the President or by a majority of the Directors on at least three business days' notice to each

Director. The notice shall be hand-delivered or mailed and shall state the time, place and purpose of the meeting.

Section 2.8 Location of Meetings/Open Meetings. All meetings of the Executive Board shall be held within the Telluride area, unless all Directors consent in writing to another location. All meetings are open to attendance by the members, as provided by applicable law.

Section 2.9 Waiver of Notice. Any Director may waive notice of any meeting in writing. Attendance by a Director at any meeting of the Executive Board shall constitute a waiver of notice. If all the Directors are present at any meeting, no notice shall be required, and any business may be transacted at such meeting.

Section 2.10 Quorum of Directors. At all meetings of the Executive Board, a majority of the Directors shall constitute a quorum for the transaction of business, unless there are less than three directors, in which case, all directors must be present to constitute a quorum. At a meeting at which a quorum is present, the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute a decision of the Executive Board unless there are less than three directors, in which case, unanimity of the directors is required to constitute a decision of the Executive Board. If, at any meeting, there shall be less than a quorum present, a majority of those present may adjourn the meeting. At any adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 2.11 Consent to Corporate Action. If all the Directors or all Directors of a committee established for such purposes, as the case may be, severally or collectively consent in writing to any action taken or to be taken by the Blue Mesa Lodge Condominium Association, and the number of the Directors constitutes a quorum, that action shall be a valid corporate action as though it had been authorized at a meeting of the Executive Board or the committee, as the case may be. The secretary shall file these consents with the minutes of the meetings of the Executive Board.

Section 2.12 Telephone Communication in Lieu of Attendance. A Director may attend a meeting of the Executive Board by using an electronic or telephonic communication method whereby the director may be heard by the other members and may hear the deliberations of the other members on any matter properly brought before the Executive Board. The Director's vote shall be counted and the presence noted as if that Director were present in person on that particular matter.

Section 2.13 Compensation. No Director shall receive any compensation from the Blue Mesa Lodge Condominium Association for acting as such unless approved by a majority in interest of the votes in the Blue Mesa Lodge Condominium Association at a regular or special meeting of the Blue Mesa Lodge Condominium Association. Any Director may be reimbursed for expenses incurred on behalf of the Blue Mesa Lodge Condominium Association upon

approval of a majority of the other Directors. Nothing herein shall prohibit the Blue Mesa Lodge Condominium Association from compensating a Director, or any entity with which a Director is affiliated, for services or supplies furnished to the Blue Mesa Lodge Condominium Association in a capacity other than as a Director pursuant to a contract or agreement with the Blue Mesa Lodge Condominium Association, provided that such Director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested Director.

ARTICLE 3 - OWNERS

Section 3.1 Membership. Ownership of a Unit is required in order to qualify for membership in this Blue Mesa Lodge Condominium Association. Membership is more fully addressed in the Articles of Incorporation and the Amended Declaration of the Blue Mesa Lodge Condominiums.

Section 3.2 Annual Meeting. Annual meetings of Owners shall be held during each of the Association's fiscal years, at such time of the year and date as determined by the Executive Board and set forth in the notice. At these meetings, the Directors shall be elected by ballot of the Owners, in accordance with the provisions of these Bylaws the Amended Declaration of the Blue Mesa Lodge Condominiums and Articles of Incorporation. The Unit Owners may transact other business as may properly come before them at these meetings. Failure to hold an annual meeting shall not work a forfeiture or dissolution of the Blue Mesa Lodge Condominium Association.

Section 3.3 Special Meetings. Special meetings of the Blue Mesa Lodge Condominium Association may be called by the president, by a majority of the members of the Executive Board or by a majority in interests of the Unit Owners.

Section 3.4 Place of Meetings. Meetings of the Unit Owners shall be held in the Blue Mesa Lodge Condominium Community, or in the Telluride area, and may be adjourned to a suitable place convenient to the Owners, as may be designated by the Executive Board or the president.

Section 3.5 Notice of Meetings. The secretary or other officer specified in the Bylaws shall cause notice of meetings of the Unit Owners to be hand-delivered or sent prepaid by United States Mail to the mailing address of each Unit or to the mailing address designated in writing by the Unit Owner, not less than 10 nor more than 50 days in advance of a meeting. No action shall be adopted at a meeting except as stated in the notice.

Section 3.6 Waiver of Notice. Any Unit Owner may, at any time, waive notice of any meeting of the Unit Owners in writing, and the waiver shall be deemed equivalent to the receipt of notice.

Section 3.7 Adjournment of Meeting. At any meeting of Unit Owners, a majority in interests of the Unit Owners who are present at that meeting, either in person or by proxy, may adjourn the meeting to another time.

Section 3.8 Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call (or check-in procedure);
- (b) Proof of notice of meeting;
- (c) Reading of minutes of preceding meeting;
- (d) Reports;
- (e) Establish number and term of memberships of the Executive Board (if required and noticed);
- (f) Election of inspectors of election (when required);
- (g) Election of Directors of the Executive Board (when required);
- (h) Unfinished business; and
- (i) New business.

Section 3.9 Voting.

(a) If only one of several owners of a Unit is present at a meeting of the Blue Mesa Lodge Condominium Association, the owner present is entitled to cast all the votes allocated to the Unit. If more than one of the owners are present, the votes allocated to the Unit may be cast only in accordance with the agreement of a majority in interest of those owners. There is majority agreement if any one of the owners casts the votes allocated to the Unit without protest being made promptly to the person presiding over the meeting by another owner of the Unit.

(b) Votes allocated to a Unit may be cast under a proxy duly executed by a Unit Owner. If a Unit is owned by more than one person, each owner of the Unit may vote or register protest to the casting of votes by the other owners of the Unit through a duly executed proxy. A Unit Owner may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Blue Mesa Lodge Condominium Association. A proxy is void if it is not dated or purports to be

revocable without notice. A proxy terminates one year after its date, unless it specifies a shorter term.

(c) The vote of a partnership, corporation, limited liability company or other entity or business trust may be cast by any officer, partner, manager, employee or agent of that corporation or business trust in the absence of express notice of the designation of a specific person by the executive board of directors or bylaws of the owning entity corporation or business trust. The vote of a partnership may be cast by any general partner of the owning partnership in the absence of express notice of the designation of a specific person by the owning partnership. The moderator of the meeting may require reasonable evidence that a person voting on behalf of a corporation, partnership, limited liability company or other entity or business trust owner is qualified to vote.

(d) Votes allocated to a Unit owned by the Blue Mesa Lodge Condominium Association may not be cast.

Section 3.10 Quorum. Except as otherwise provided in these Bylaws, the Unit Owners present in person or by proxy at any meeting of Unit Owners, but no less than owners representing voting interests of at least fifty percent (50%) of the votes in the Blue Mesa Lodge Condominium Association, shall constitute a quorum at that meeting.

Section 3.11 Majority In Interests or Majority Vote. The vote of a majority in interest of the votes present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where a higher percentage vote is required in the Amended Declaration of the Blue Mesa Lodge Condominiums, these Bylaws, the Articles of Incorporation or by law.

Section 3.12 Unit Owner Addresses for Notices. Unless a Unit Owner shall have notified the Blue Mesa Lodge Condominium Association by registered or certified mail of a different address, any notice required to be given, or otherwise given by the Blue Mesa Lodge Condominium Association under these Bylaws to any Unit Owner or any other written instrument to be given to any Unit Owner, may be mailed to such Unit Owner in a postage prepaid envelope and mailed by first class, registered or certified mail to the address of the Unit shown upon the Association's records as being owned by such Unit Owner. If more than one Unit Owner owns a particular Unit, then any notice or other written instrument may be addressed to all of such Owners and may be mailed in one envelope in accordance with the foregoing. Any notice or other written instrument given by the Blue Mesa Lodge Condominium Association in accordance with the foregoing will be deemed to have been given on the date that it is mailed.

Section 3.13 Rules at Meeting. The Board may prescribe reasonable rules for the conduct of all meetings of the Board and Unit Owners. In the absence of such rules, Robert's Rules of Order shall be used.

ARTICLE 4 - OFFICERS

Section 4.1 Designation. The principal officers of the Blue Mesa Lodge Condominium Association shall be the president, the vice president, the secretary and the treasurer, all of whom shall be elected by the Executive Board. The Executive Board may appoint an assistant treasurer, an assistant secretary and other officers as it finds necessary. The president and vice president, but no other officers, need to be Directors. Any two offices may be held by the same person, except the offices of president and secretary. The office of vice president may be vacant.

Section 4.2 Election of Officers. The officers of the Blue Mesa Lodge Condominium Association shall be elected annually by the Executive Board at the organizational meeting of each new Executive Board. They shall hold office at the pleasure of the Executive Board.

Section 4.3 Removal of Officers. Upon the affirmative vote of a majority of the Directors, any officer may be removed, either with or without cause. A successor may be elected at any regular meeting of the Executive Board or at any special meeting of the Executive Board called for that purpose.

Section 4.4 President. The president shall be the chief executive officer of the Blue Mesa Lodge Condominium Association. The president shall preside at all meetings of the Unit Owners and of the Executive Board. The president shall have all of the general powers and duties which are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado, including but not limited to the power to appoint committees from among the Unit Owners from time to time as the president may decide is appropriate to assist in the conduct of the affairs of the Blue Mesa Lodge Condominium Association. The president may fulfill the role of treasurer in the absence of the treasurer. The president may cause to be prepared and may execute amendments, attested by the secretary, to the Amended Declaration of the Blue Mesa Lodge Condominiums and these Bylaws on behalf of the Blue Mesa Lodge Condominium Association, following authorization or approval of the particular amendment as applicable.

Section 4.5 Vice President. The vice president shall take the place of the president and perform the president's duties whenever the president is absent or unable to act. If neither the president nor the vice president is able to act, the Executive Board shall appoint some other Director to act in the place of the president on an interim basis. The vice president shall also perform other duties imposed by the Executive Board or by the president.

Section 4.6 Secretary. The secretary shall keep the minutes of all meetings of the Unit Owners and the Executive Board. The secretary shall have charge of the Association's books and papers as the Executive Board may direct and shall perform all the duties incident to the office of secretary of a nonprofit corporation organized under the laws of the State of Colorado. The secretary may cause to be prepared and may attest to execution by the president of amendments to the Amended Declaration of the Blue Mesa Lodge Condominiums and the Bylaws on behalf

of the Blue Mesa Lodge Condominium Association, following authorization or approval of the particular amendment as applicable.

Section 4.7 Treasurer. The treasurer shall be responsible for Blue Mesa Lodge Condominium Association funds and securities, for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial data. This officer shall be responsible for the deposit of all monies and other valuable effects in depositories designated by the Executive Board and shall perform all the duties incident to the office of treasurer of a nonprofit corporation organized under the laws of the State of Colorado. The treasurer may endorse on behalf of the Blue Mesa Lodge Condominium Association, for collection only, checks, notes and other obligations and shall deposit the same and all monies in the name of and to the credit of the Blue Mesa Lodge Condominium Association in banks designated by the Executive Board. Reserve funds of the Blue Mesa Lodge Condominium Association shall be deposited in segregated accounts or in prudent investments, as the Executive Board decides. Funds may be withdrawn from these reserves for the purposes for which they were deposited, by check or order, authorized by the treasurer, and executed by two Directors, one of whom may be the treasurer if the treasurer is also a Director.

Section 4.8. Agreements, Contracts, Deeds, Checks, Etc. Except as provided in Sections 4.4, 4.6, 4.7, and 4.9 of these Bylaws, all agreements, contracts, deeds, leases, checks and other instruments of the Blue Mesa Lodge Condominium Association shall be executed by any officer of the Blue Mesa Lodge Condominium Association or by any other person or persons designated by the Executive Board.

Section 4.9 Statements of Unpaid Assessments. The treasurer, assistant treasurer, a manager employed by the Blue Mesa Lodge Condominium Association, if any, or, in their absence, any officer having access to the books and records of the Blue Mesa Lodge Condominium Association may prepare, certify, and execute statements of unpaid assessments in accordance with Section 316 of the Act. The Blue Mesa Lodge Condominium Association may charge a reasonable fee for preparing statements of unpaid assessments. The amount of this fee and the time of payment shall be established by resolution of the Executive Board. Any unpaid fees may be assessed as a Common Expense against the Unit for which the certificate or statement is furnished.

ARTICLE 5 - ENFORCEMENT

Section 5.1 Abatement and Enjoinment of Violations by Unit Owners. The violation of any of the Rules and Regulations adopted by the Executive Board or the breach of any provision of the Documents shall give the Executive Board the right, after notice and hearing, except in case of an emergency, in addition to any other rights set forth in these Bylaws:

(a) to enter the Unit or Limited Common Element in which, or as to which, the violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition (except for additions or alterations of a permanent nature that may exist in that Unit) that is existing and creating a danger to the Common Elements contrary to the intent and meaning of the provisions of the Documents. The Executive Board shall not be deemed liable for any manner of trespass by this action; or

(b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach.

Section 5.2 Fines for Violation. By resolution, following notice and hearing, the Executive Board may levy reasonable fines per day for each day that a violation of the Documents or Rules persists after notice and hearing, but this amount shall not exceed that amount necessary to insure compliance with the rule or order of the Executive Board.

ARTICLE 6 - INDEMNIFICATION

Section 6.1 Actions Other Than By Or In The Right of The Blue Mesa Lodge Condominium Association. The Blue Mesa Lodge Condominium Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Blue Mesa Lodge Condominium Association) by reason of the fact that he is or was a director or officer of the Blue Mesa Lodge Condominium Association, who is or was serving at the request of the Blue Mesa Lodge Condominium Association in such capacity, against expenses (including expert witness fees, attorney fees and costs) judgments, fines, amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner which such individual reasonably believed to be in the best interests of the Blue Mesa Lodge Condominium Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Determination of any action, suit or proceeding by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he or she reasonably believed to be in the best interests of the Blue Mesa Lodge Condominium Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his conduct was unlawful.

Section 6.2 Actions By Or In The Right of The Blue Mesa Lodge Condominium Association. The Blue Mesa Lodge Condominium Association shall indemnify any person who was or is a party or who is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Blue Mesa Lodge Condominium Association to procure judgment in its favor by reason of the fact that such person is or was a director or

officer of the Blue Mesa Lodge Condominium Association or is or was serving at the request of the Blue Mesa Lodge Condominium Association in such capacity, against expenses (including expert witness fees, attorney fees and costs) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner which he or she reasonably believed to be in the best interests of the Blue Mesa Lodge Condominium Association; but no indemnification shall be made in respect of any claim, issue or matter as to which such person has been adjudged to be liable for negligence or misconduct in the performance of his or her duty in the Blue Mesa Lodge Condominium Association unless, and to the extent that the court in which such action or suit was brought determines upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses if such court deems proper.

Section 6.3 Successful on the Merits. To the extent that a director, manager, officer, project manager, employee, fiduciary or agent of the Blue Mesa Lodge Condominium Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in the first two sections of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorney fees and costs) actually and reasonably incurred by him or her in connection therewith.

Section 6.4 Determination Required. Any indemnification under the first two sections of this Article (unless ordered by a court) and as distinguished from the third section of this Article, shall be made by the Blue Mesa Lodge Condominium Association only as authorized by the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such individual has met the applicable standard of conduct. Such determination shall be made by the Board of Directors by majority vote of a quorum consisting of those members of the Board who were not parties to such action, suit or proceeding or, if a majority of disinterested members of the Board of Directors so directs, by independent legal counsel and a written opinion or by members entitled to vote thereon.

Section 6.5 Payment in Advance of Final Disposition. The Blue Mesa Lodge Condominium Association shall pay for or reimburse the reasonable expenses incurred by a former or current director or officer who is a party to a proceeding in advance of final disposition of the proceeding if the director or officer furnishes to the Blue Mesa Lodge Condominium Association a written affirmation of the director's good faith belief that he or she has met the standard of conduct described in the first two sections of this Article, the director or officer furnishes to the Blue Mesa Lodge Condominium Association a written understanding, executed personally or on the director's or officer's behalf to repay the advance if it is ultimately determined that the director or officer did not meet the standard of conduct and a determination is made that the facts then known to those making the determination would not preclude indemnification under this article. The undertaking required in this paragraph shall be an unlimited general obligation of the director or officer but need not be selected and may be accepted without reference to financial ability to make repayment.

Section 6.6 No Limitation of Rights. The indemnification provided by this Article shall not be deemed exclusive of nor a limitation upon any other rights to which those indemnified may be entitled under any bylaw, agreement, vote of the members or disinterested members of the Board of Directors, or otherwise, nor by any rights which are granted pursuant to C.R.S. §§ 38-33.3-101, *et seq.*, and the Colorado Nonprofit Corporation Act, as amended.

Section 6.7 Directors and Officers Insurance. The Blue Mesa Lodge Condominium Association may purchase and maintain insurance on behalf of any person who is or was a member of the Board of Directors or an officer of the Blue Mesa Lodge Condominium Association against any liability asserted against him or her and incurred by such individual in any such capacity or arising out of his or her status as such, whether or not the Blue Mesa Lodge Condominium Association would have the power to indemnify such individual against such liability under provisions of this Article.

ARTICLE 7 - RECORDS

Section 7.1 Records and Audits. The Blue Mesa Lodge Condominium Association shall maintain financial records. The cost of any audit shall be a Common Expense.

Section 7.2 Examination. All records maintained by the Blue Mesa Lodge Condominium Association or the Manager shall be available for examination and copying by any Unit Owner, any holder of a Security Interest in a Unit or its insurer or guarantor, or by any of their duly authorized agents or attorneys, at the expense of the person examining the records, during normal business hours and after reasonable notice.

Section 7.3 Records. The Blue Mesa Lodge Condominium Association or its manager or managing agent, if any, may keep the following records:

- (a) An account for each Unit, which shall designate the name and address of each Unit Owner, the name and address of each mortgagee who has given notice to the Blue Mesa Lodge Condominium Association that it holds a mortgage on the Unit, the amount of each Common Expense assessment, the dates on which each assessment comes due, the amounts paid on the account and the balance due;
- (b) An account for each Unit Owner showing any other fees payable by the Unit Owner;
- (c) A record of capital expenditures approved by the Executive Board;
- (d) A record of the amount and an accurate account of the current balance of any reserves for capital expenditures, replacement and emergency repairs, together with

the amount of those portions of reserves designated by the Blue Mesa Lodge Condominium Association for a specific project;

(e) The most recent regularly prepared balance sheet and income and expense statement, if any, of the Blue Mesa Lodge Condominium Association;

(f) The current operating budget;

(g) A record of any unsatisfied judgments against the Blue Mesa Lodge Condominium Association and the existence of any pending suits in which the Blue Mesa Lodge Condominium Association is a defendant;

(h) A record of insurance coverage provided for the benefit of Unit Owners and the Blue Mesa Lodge Condominium Association;

(i) A record of any alterations or improvements to Units or Limited Common Elements which violate any provisions of the Declarations of which the Executive Board has knowledge;

(j) A record of any violations, with respect to any portion of the Blue Mesa Lodge Condominium Community, of health, safety, fire or building codes or laws, ordinances, or regulations of which the Executive Board has knowledge;

(k) A record of the actual cost, irrespective of discounts and allowances, of the maintenance of the Common Elements;

(l) Balance sheets and other records required by Colorado corporate law;

(m) Tax returns for state and federal income taxation;

(n) Minutes of proceedings of Unit Owners, Directors, committees of Directors and waivers of notice; and

(o) A copy of the most current versions of the Amended Declaration of the Blue Mesa Lodge Condominiums, Articles of Incorporation, Bylaws, Rules, and resolutions of the Executive Board, along with their exhibits and schedules.

ARTICLE 8 - MISCELLANEOUS

Section 8.1 Notices. All notices to the Blue Mesa Lodge Condominium Association or the Executive Board shall be delivered to the office of the Manager, or, if there is no Manager, to the office of the Blue Mesa Lodge Condominium Association, or to such other address as the

Executive Board may designate by written notice to all Unit Owners. Except as otherwise provided, all notices to any Unit Owner shall be sent to the Unit Owner's address as it appears in the records of the Blue Mesa Lodge Condominium Association. All notices shall be deemed to have been given when mailed, except notices of changes of address, which shall be deemed to have been given when received.

Section 8.2 Fiscal Year. The Executive Board shall establish the fiscal year of the Blue Mesa Lodge Condominium Association.

Section 8.3 Waiver. No restriction, condition, obligation or provision contained in these Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

Section 8.4 Office. The principal office of the Blue Mesa Lodge Condominium Association shall be on the Property or at such other place as the Executive Board may from time to time designate.

Section 8.5 Working Capital Fund. A working capital fund is established pursuant to the Amended Declaration of the Blue Mesa Lodge Condominiums. Any amounts paid into this fund shall not be considered as advance payment of assessments. Each Unit's share of the working capital fund may be collected and then shall be contributed to the Blue Mesa Lodge Condominium Association at the time the sale of the Unit is closed. Until paid to the Blue Mesa Lodge Condominium Association, the contribution to the working capital fund shall be considered an unpaid Common Expense Assessment.

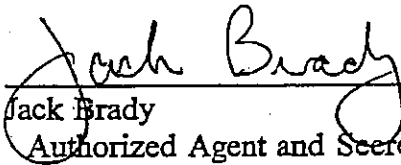
Section 8.6 Reserves. As a part of the adoption of the regular budget the Executive Board shall include an amount which, in its reasonable business judgment, will establish and maintain an adequate reserve fund for the replacement of improvements to the Common Elements and those Limited Common Elements that it is obligated to maintain, based upon age, remaining life and the quantity and replacement cost of major Common Element improvements.

ARTICLE 9 - AMENDMENTS TO BYLAWS

Section 9.1 Vote of the Members. The Bylaws may be amended only by vote of a majority in interest of the members present, in person or proxy, at a meeting at which a quorum is present.

Section 9.2 Restrictions on Amendments. No amendment of the Bylaws of this Blue Mesa Lodge Condominium Association shall be adopted which would affect or impair the validity or priority of any Security Interest covering any Unit or which would materially change the provisions of the Bylaws with respect to a first lien Security Interest or the interest of an institutional mortgagees of record.

ATTEST: Certified to be the Bylaws of the Blue Mesa Lodge Condominium Association, Inc., as of September 1, 1997, adopted by the undersigned, being an authorized officer of the Blue Mesa Condominium Association and an agent for owners of the entire Blue Mesa Condominium Community. The undersigned, hereby certifies and verifies that the approval to amend the Bylaws of the Blue Mesa Condominium Association, as set forth above for the Blue Mesa Lodge Condominiums and the Blue Mesa Lodge Condominium Association, Inc., has been obtained from all Owners of those Condominium Units constituting a total of one hundred percent (100%) of the percentage interests in the Common Elements, as set forth in the Original Declaration and the Supplemental Declaration; has been obtained from the Blue Mesa Condominium Association and that the above Bylaws have been adopted by the Blue Mesa Lodge Condominium Association board of directors and the Owners of Units in the Blue Mesa Lodge Condominiums.



Jack Brady Date 25 AUGUST 1997
Authorized Agent and Secretary of the
Blue Mesa Lodge Condominium Association, Inc.

SURVEYOR'S CERTIFICATE

I, J. David Foley, being a Registered Land Surveyor in the State of Colorado, do hereby certify that this plat and survey of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE (i) was performed under my direct responsibility, supervision, and checking (ii) is true and accurate to the best of my belief and knowledge (iii) is clear and legible (iv) that the structural components of the building as indicated on this plat, are substantially in accordance with the plans of the Declarant (v) contains all the information required under C.R.S. 38-33.3-209 and C.R.S. 38-51-102.

J. David Foley
L.S. No. 24954
Date: 4/17/98

NOTICE

According to Colorado law you must commence any legal action based upon defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

NOTES

- 1. The following abbreviations are defined for this Common Interest Community Map:
G.C.E. General Common Element
L.C.E. Limited Common Element
C.H. Ceiling Height (horizontal unit boundary)
S.F. Square Foot
- 2. Easement research from Telluride Mountain Title Company Order No. 93040026 dated July 13, 1993 at 7:45 A.M.
- 3. Dashed lines indicate roof lines.
- 4. Floor plans in this plat are not drawn exactly scale accurate. Dimensions shown are accurate and are to be used in preference to scale accuracy.
- 6. Dimensions and square footages shown are to face of drywall.

TOTAL SQUARE FOOTAGE PER UNIT

UNIT	SQUARE FOOTAGE
20-A	459.4
20-B	438.4
20-C	430.3
21-A	478.3
21-B	460.5
21-C	429.9
22-A	397.7
22-B	399.3
22-C	368.7
23-A	424.7
23-B	440.9
23-C	375.1
30-A	386.2
30-B	576.2
31-A	492.4
31-B	426.4
31-C	439.3
32-A	514.3
32-B	539.8
33-A	423.5
33-B	424.0
33-C	340.3
40-A	469.0
40-B	834.2
40-C	540.1
41-A	541.3
41-B	796.0
41-C	572.3

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Telluride Associates, a Washington, D.C. general partnership, is the owner of the following described land:

An undivided 50% interest in Units 20, 22, 41 and an undivided 40% interest in Unit 31 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this 20th day of April, 1998.

OWNER: Telluride Associates, a Washington D.C. general partnership.

By: *John W. Brady*
John W. Brady, general partner of Telluride Associates, a Washington, D.C. general partnership

ACKNOWLEDGEMENT

STATE OF _____)
DISTRICT OF COLUMBIA) SS
COUNTY OF _____)

The foregoing was subscribed and sworn to me before this 10th day of APRIL, 1998, by John W. Brady, general partner of Telluride Associates, a Washington, D.C. general partnership.

Witness my hand and official seal.
My commission expires: JULY 31, 2002

Karen M. Shamp
Notary Public

SECURITY INTEREST HOLDERS' CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____
Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that CSO Blue Mesa Partners, is the owner of the following described land:

Units 23, 32, 33 and an undivided 50% interest in Unit 40 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this 20th day of April, 1998.

OWNER: CSO Blue Mesa Partners.

By: _____
of CSO Blue Mesa Partners

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by _____ of CSO Blue Mesa Partners.

Witness my hand and official seal.
My commission expires: _____

RICHARD I. HAEFELI
Notary Public
State of New York
No. 52,163,207, Suffolk County
Commission Expires March 30, 19____

SECURITY INTEREST HOLDERS' CONSENT

The undersigned First Federal Bank of Colorado as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book 512, Page 852, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: FIRST FEDERAL BANK OF COLORADO
Date: 11/14/97
Address: 2155 Wadsworth Blvd, Lakewood, CO 80226
Signature: *[Signature]*
Title: ASSISTANT VICE PRESIDENT

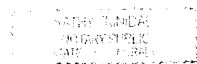
ACKNOWLEDGMENT

State of Colorado)
County of Jefferson) ss

The foregoing signature was acknowledged before me this 14th day of November, 1997 A.D. by Dany Stan Oer of First Federal Bank of Colorado

My commission expires 4-21-2001
Witness my hand and seal.

NATHY MURADA
Notary Public



OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Steve Hilbert, is the owner of the following described land:

An undivided 50% interest in Unit 20 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____.

OWNER: Steve Hilbert.

By: _____
Steve Hilbert

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Steve Hilbert.

Witness my hand and official seal.
My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS' CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____
Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Michael and Donna Tranovich, are the owners of the following described land:

Unit 21 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owners hereby execute their Certificate on this _____ day of _____.

OWNER: Michael Tranovich and Donna Tranovich

By: _____
Michael Tranovich

By: _____
Donna Tranovich

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Michael Tranovich

Witness my hand and official seal.
My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Donna Tranovich

Witness my hand and official seal.
My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS' CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____
Witness my hand and seal.

Notary Public

RECORDERS CERTIFICATE

This plat was filed for record in the office of the County Clerk and Recorder of San Miguel County on this 22nd day of October, 1998, in Book No. 171, Page No. 373, Reception No. 321572, Time 1:35 PM.

[Signature]
San Miguel County Clerk

PAGE 2423

Time: 1:31
Date: 7/11
Scale: 1"=30'
Drawing File: S:\9084\WELLS.DWG (Marsh)

An Amendment to the Condominium Map for Blue Mesa Condominium, and the Condominium Map for the Blue Mesa Lodge

Project Mgr: DF
Technician: MFS
Checked by:
Start date: 06-24-97

REVISIONS
DATE: 10/24/97
BY: [Signature]

FOLEY ASSOCIATES, INC.
ENGINEERING PLANNING SURVEYING
800-775-8888
125 W. PACIFIC, SUITE B-1
TELLURIDE, COLORADO 81435

970-728-6153 970-728-6050 fax
P.O. BOX 1385
TELLURIDE, COLORADO 81435

Drawing path: X:\DRAWINGS\9084\WORDS
Sheet 1 of 10 Project #: 9084

SURVEYOR'S CERTIFICATE

I, J. David Foley, being a Registered Land Surveyor in the State of Colorado, do hereby certify that this plat and survey of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE (i) was performed under my direct responsibility, supervision, and checking (ii) is true and accurate to the best of my belief and knowledge (iii) is clear and legible (iv) that the structural components of the building as indicated on this plat, are substantially in accordance with the plans of the Declarant (v) contains all the information required under C.R.S. 38-3.3.3-209 and C.R.S. 38-51-102.

L.S. No. 24954 Date

NOTICE

According to Colorado law you must commence any legal action based upon defect in this survey within three years after you first discovered such defect. In no event, may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown herein.

NOTES

- 1. The following abbreviations are defined for this Common Interest Community Map: G.C.E. General Common Element L.C.E. Limited Common Element C.H. Ceiling Height (horizontal unit boundary) S.F. Square Foot
- 2. Easement research from Telluride Mountain Title Company Order No. 93040026 dated July 13, 1993 at 7:45 A.M.
- 3. Dashed lines indicate roof lines.
- 4. Floor plans in this plat are not drawn exactly scale accurate. Dimensions shown are accurate and are to be used in preference to scale accuracy.
- 6. Dimensions and square footages shown are to face of drywall.

TOTAL SQUARE FOOTAGE PER UNIT

UNIT	SQUARE FOOTAGE
20-A	459.4
20-B	438.4
20-C	430.3
21-A	478.3
21-B	460.5
21-C	429.9
22-A	397.7
22-B	449.3
22-C	368.7
23-A	424.7
23-B	440.9
23-C	375.1
30-A	386.2
30-B	576.8
31-A	492.4
31-B	426.4
31-C	439.3
32-A	514.3
32-B	539.8
33-A	423.5
33-B	424.0
33-C	340.3
40-A	469.0
40-B	834.2
40-C	540.1
41-A	541.3
41-B	296.0
41-C	372.3

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Telluride Associates, a Washington, D.C. general partnership, is the owner of the following described land:

An undivided 50% interest in Units 20, 22, 41 and an undivided 40% interest in Unit 31 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____ and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____

OWNER: Telluride Associates, a Washington D.C. general partnership.

By: John W. Brady, general partner of Telluride Associates, a Washington, D.C. general partnership

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____ 199____, by John W. Brady, general partner of Telluride Associates, a Washington, D.C. general partnership.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDER'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGEMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that CSO Blue Mesa Partners, is the owner of the following described land:

Units 23, 32, 33 and an undivided 50% interest in Unit 40 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____ and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____

OWNER: CSO Blue Mesa Partners.

By: _____ of CSO Blue Mesa Partners

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____ 199____, by _____ of CSO Blue Mesa Partners.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGEMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Steve Hilbert, is the owner of the following described land:

An undivided 50% interest in Unit 20 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____ and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____

OWNER: Steve Hilbert.

By: Steve Hilbert Steve Hilbert

ACKNOWLEDGEMENT

STATE OF COLORADO)
COUNTY OF SAN MIGUEL) SS

The foregoing was subscribed and sworn to me before this _____ day of FEBRUARY 1998, by Steve Hilbert.

Witness my hand and official seal. My commission expires: 2/10/2001

Notary Public

SECURITY INTEREST HOLDERS CONSENT

The undersigned First National Bank as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: First National Bank
Date: 11-4-97
Address: 120 S. Pine Street Telluride, CO
Signature: _____
Title: _____

ACKNOWLEDGEMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Michael and Donna Tranovich, are the owners of the following described land:

Unit 21 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____ and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owners hereby execute their Certificate on this _____ day of _____

OWNER: Michael Tranovich and Donna Tranovich

By: Michael Tranovich

By: Donna Tranovich

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____ 199____, by Michael Tranovich

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____ 199____, by Donna Tranovich

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS CONSENT

The undersigned GNAC Mortgage Corporation as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: GNAC MORTGAGE CORPORATION
Date: July 20, 1998
Address: 3451 HAMMOND AVE WATERLOO IA 50702
Signature: _____
Title: ASSISTANT VICE-PRESIDENT

ACKNOWLEDGEMENT

State of IOWA)
County of Black Hawk) ss

The foregoing signature was acknowledged before me this _____ day of July, 19____ A.D. by _____ of _____

My commission expires 6-2-99 Witness my hand and seal.

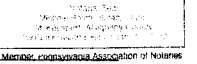
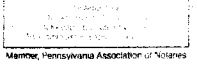
Notary Public

RECORDERS CERTIFICATE

This plat was filed for record in the office of the County Clerk and Recorder of San Miguel County on this _____ day of _____, 19____, in Book No. _____, Page No. _____, Reception No. _____, Time _____

San Miguel County Clerk

1-2424
2/12



Time: 13:37:32
Date: 9/30/1997
Scale: 1"=3'(PS)
Drawing File: D:\RAWFILES\9084\WORDS.DWG (Sheet)

An Amendment to the Condominium Map for Blue Mesa Condominium, and the Condominium Map for the Blue Mesa Lodge

Project Mgr: JF
Technician: MFS
Checked by:
Start date: 06-24-97
FOLEY ASSOCIATES, INC.
ENGINEERING - PLANNING - SURVEYING
970-728-6153 970-728-6050 fax
P.O. BOX 1385
125 W. PACIFIC SUITE B-1
TELLURIDE, COLORADO 81435
Drawing path: X:\DRAWINGS\9084\WORDS
Sheet 1 of 10
Project #: 9084

PAGE 2424

1-2425
3/12

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Fred M. Cone Jr. is the owner of the following described land:

An undivided 50% interest in Unit 22 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____, 1998.

OWNER: Fred M. Cone Jr.

By: Fred M. Cone Jr.

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Fred M. Cone Jr.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDER'S CONSENT

The undersigned Mountain Bank as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book 583, Page 381, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: Mountain Bank
Date: October 16, 1997
Address: P.O. Box 11076 Telluride, CO 81455
Signature: Dan White
Title: Sr. Vice President

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

NOTARY PUBLIC
STATE OF COLORADO
JULIE ARZONETTI

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS Ronald D. and Judy Porte, are the owners of the following described land:

Unit 30 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owners hereby execute their Certificate on this _____ day of _____.

OWNER: Ronald D. and Judy Porte.

By: Ronald D. Porte

By: Judy Porte

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Ronald D. Porte.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Judy Porte.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDER'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Peter A. Ricciardelli, is the owner of the following described land:

An undivided 60% interest in Unit 31 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____, 1998.

OWNER: Peter A. Ricciardelli.

By: Peter A. Ricciardelli

ACKNOWLEDGEMENT

STATE OF Colorado)
COUNTY OF San Miguel) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Peter A. Ricciardelli.

Witness my hand and official seal. My commission expires: 10-04-01

Notary Public

SECURITY INTEREST HOLDER'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: October 22, 1997
Address: 4470 Finsen Road, Durango, CO
Signature: _____
Title: Vice President

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Terry F. and Margaret Lenzner, are the owners of the following described land:

An undivided 50% interest in Unit 41 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owners hereby execute their Certificate on this _____ day of _____, 1998.

OWNER: Terry F. and Margaret Lenzner.

By: Terry F. Lenzner

By: Margaret Lenzner

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Terry F. Lenzner.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Margaret Lenzner.

SECURITY INTEREST HOLDER'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: October 22, 1997
Address: 4470 Finsen Road, Durango, CO
Signature: _____
Title: Vice President

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Samuel J. Buffone and Susan Buffone, are the owners of the following described land:

An undivided 50% interest in Unit 40 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado.

IN WITNESS WHEREOF, the Owners hereby execute their Certificate on this _____ day of _____.

OWNER: Samuel J. Buffone and Susan Buffone

By: Samuel J. Buffone

By: Susan Buffone

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Samuel J. Buffone.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 1998, by Susan Buffone.

SECURITY INTEREST HOLDER'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____, Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19____ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

PAGE 2425

Time: 15:37:53
Date: 9/30/1997
Scale: 1"=50'(PS)
Drawing File: DRAWINGS\SUBBA\WORDS.DWG (Sheet)

An Amendment to the Condominium Map for Blue Mesa Condominium, and the Condominium Map for the Blue Mesa Lodge

Project No: 06-24-97
Foley Associates, Inc.
125 W. PACIFIC, SUITE B-1
TELLURIDE, COLORADO 81435
970-728-6153 970-728-6050 fax
P.O. BOX 1385
Sheet 2 of 10 Project #: 3084

1-2426

4/12

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Fred M. Cone Jr. is the owner of the following described land:

An undivided 50% interest in Unit 22 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado,

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____, 199__.

OWNER: Fred M. Cone Jr.

By: Fred M. Cone Jr.

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Fred M. Cone Jr.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____ Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19__ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Ronald D. and Judy Porte, are the owners of the following described land:

Unit 30 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado,

IN WITNESS WHEREOF, the Owners hereby execute this Certificate on this _____ day of _____, 199__.

OWNER: Ronald D. and Judy Porte.

By: Ronald D. Porte

By: Judy Porte

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Ronald D. Porte + Judy Porte.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Judy Porte.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____ Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19__ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Peter A. Ricciardelli, is the owner of the following described land:

An undivided 60% interest in Unit 31 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado,

IN WITNESS WHEREOF, the Owner hereby executes this Certificate on this _____ day of _____, 199__.

OWNER: Peter A. Ricciardelli.

By: Peter A. Ricciardelli

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Peter A. Ricciardelli.

Witness my hand and official seal. My commission expires: _____

Notary Public

SECURITY INTEREST HOLDERS'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____ Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19__ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Terry F. and Margaret Lenzner, are the owners of the following described land:

An undivided 50% interest in Unit 41 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado,

IN WITNESS WHEREOF, the Owners hereby execute this Certificate on this _____ day of _____, 199__.

OWNER: Terry F. and Margaret Lenzner

By: Terry E. Lenzner

By: Margaret Lenzner

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Terry F. Lenzner.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Margaret Lenzner.

SECURITY INTEREST HOLDERS'S CONSENT

The undersigned as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____ Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: _____
Date: _____
Address: _____
Signature: _____
Title: _____

ACKNOWLEDGMENT

State of _____)
County of _____) ss

The foregoing signature was acknowledged before me this _____ day of _____, 19__ A.D. by _____ of _____

My commission expires _____ Witness my hand and seal.

Notary Public

OWNERSHIP CERTIFICATE

KNOW ALL PERSONS BY THESE PRESENTS that Samuel J. Buffone and Susan Buffone, are the owners of the following described land:

An undivided 50% interest in Unit 40 of Blue Mesa Condominium as defined and described in the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 972-979 and the First Supplement to the Declaration for Blue Mesa Condominium, recorded in Book _____ at pages _____, and the First Supplement to Condominium Map for Blue Mesa Condominium, recorded in Plat Book 1 at pages 1740-1748, has exercised certain reserved development rights under the name of AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE, as shown on this plat and as set forth in the Amendment to the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Condominium and the Declaration of Covenants, Conditions, and Restrictions for Blue Mesa Lodge, recorded in Book _____ at pages _____, County of San Miguel, State of Colorado,

IN WITNESS WHEREOF, the Owners hereby execute this Certificate on this _____ day of _____, 199__.

OWNER: Samuel J. Buffone and Susan Buffone

By: Samuel J. Buffone

By: Susan J. Buffone

ACKNOWLEDGEMENT

STATE OF _____)
COUNTY OF _____) SS

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Samuel J. Buffone + Susan Buffone.

Witness my hand and official seal. My commission expires: _____

Notary Public

The foregoing was subscribed and sworn to me before this _____ day of _____, 199__, by Susan Buffone.

SECURITY INTEREST HOLDERS'S CONSENT

The undersigned RESIDENTIAL FUNDING CORP. as a beneficiary of a deed of trust which constitutes a lien upon the declarant's property, recorded at Book _____ Page _____, in the San Miguel County Clerk and Recorder's real property records, hereby consents to the subdivision of the real property as depicted on this Plat.

Name: RESIDENTIAL FUNDING CORP.
Date: 1-21-97
Address: 10 UNIVERSAL CITY PL #210, UTAH SA 91608
Signature: _____
Title: ASSISTANT SECRETARY

ACKNOWLEDGMENT

State of CALIFORNIA)
County of LOS ANGELES) ss

The foregoing signature was acknowledged before me this _____ day of NOVEMBER, 1997 A.D. by STEVEN R. SIMN of RESIDENTIAL FUNDING CORP.

My commission expires 5-24-97 Witness my hand and seal.

Notary Public

Time: 13:37:32
Date: 9/30/1997
Scale: 1=5'(PS)
Drawing File: DRAWINGS\908A\WORDS.DWG (Sheet)

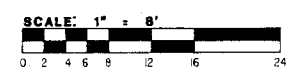
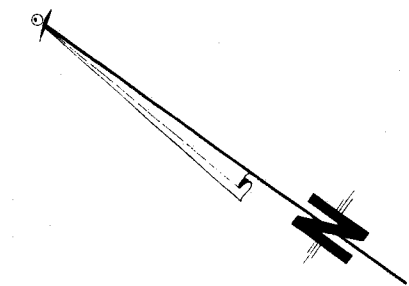
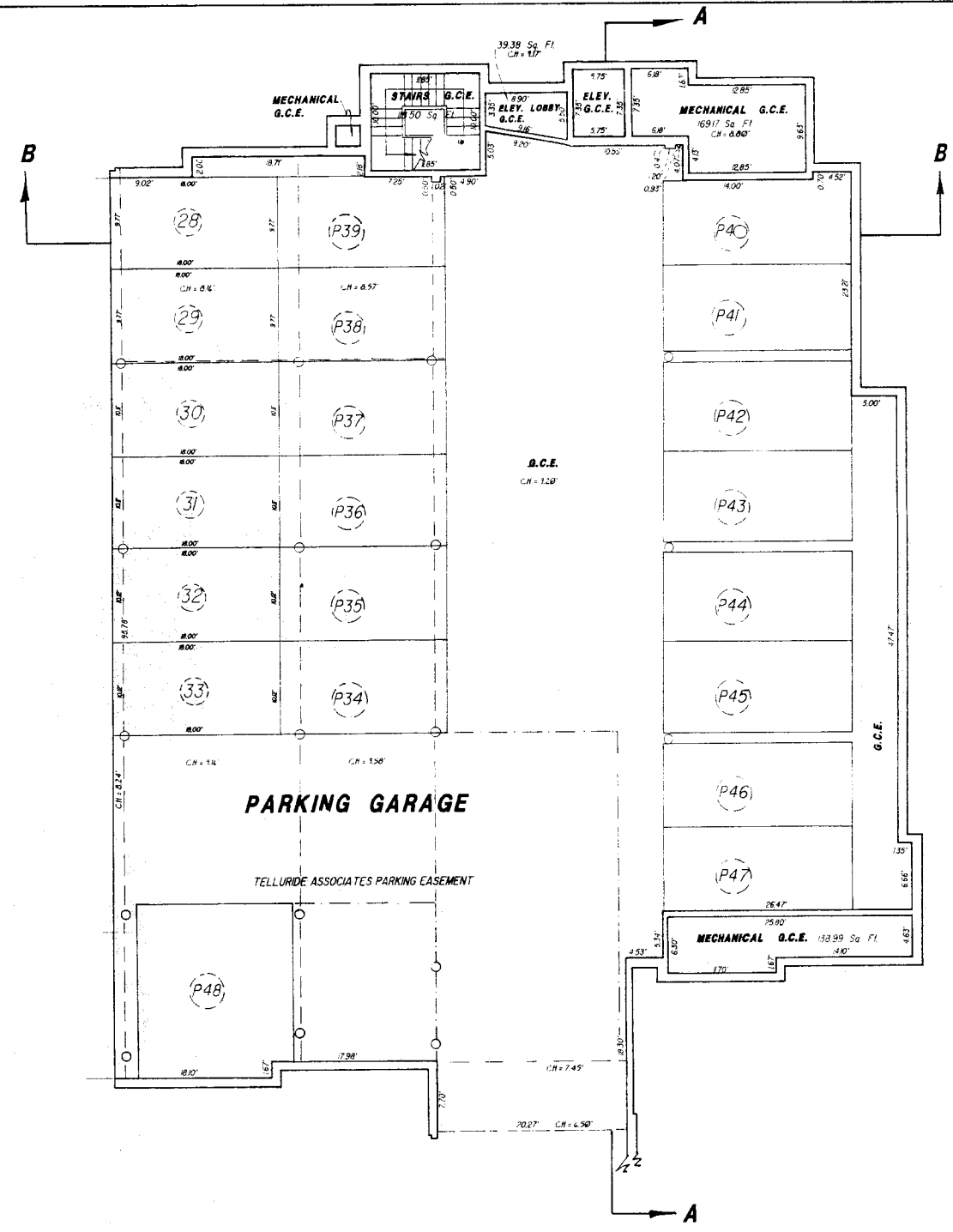
An Amendment to the Condominium Map for Blue Mesa Condominium, and the Condominium Map for the Blue Mesa Lodge

Table with columns: Project Mgr, Date, Checked by, Start date, etc.



970-728-6153 970-728-6050 fax
P.O. BOX 1385
125 W. PACIFIC, SUITE B-1
TELLURIDE, COLORADO 81435

PAGE 2426

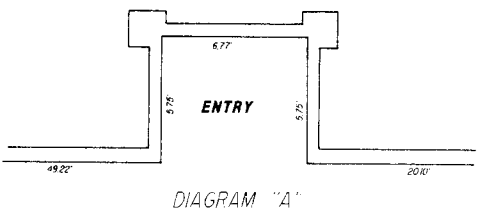
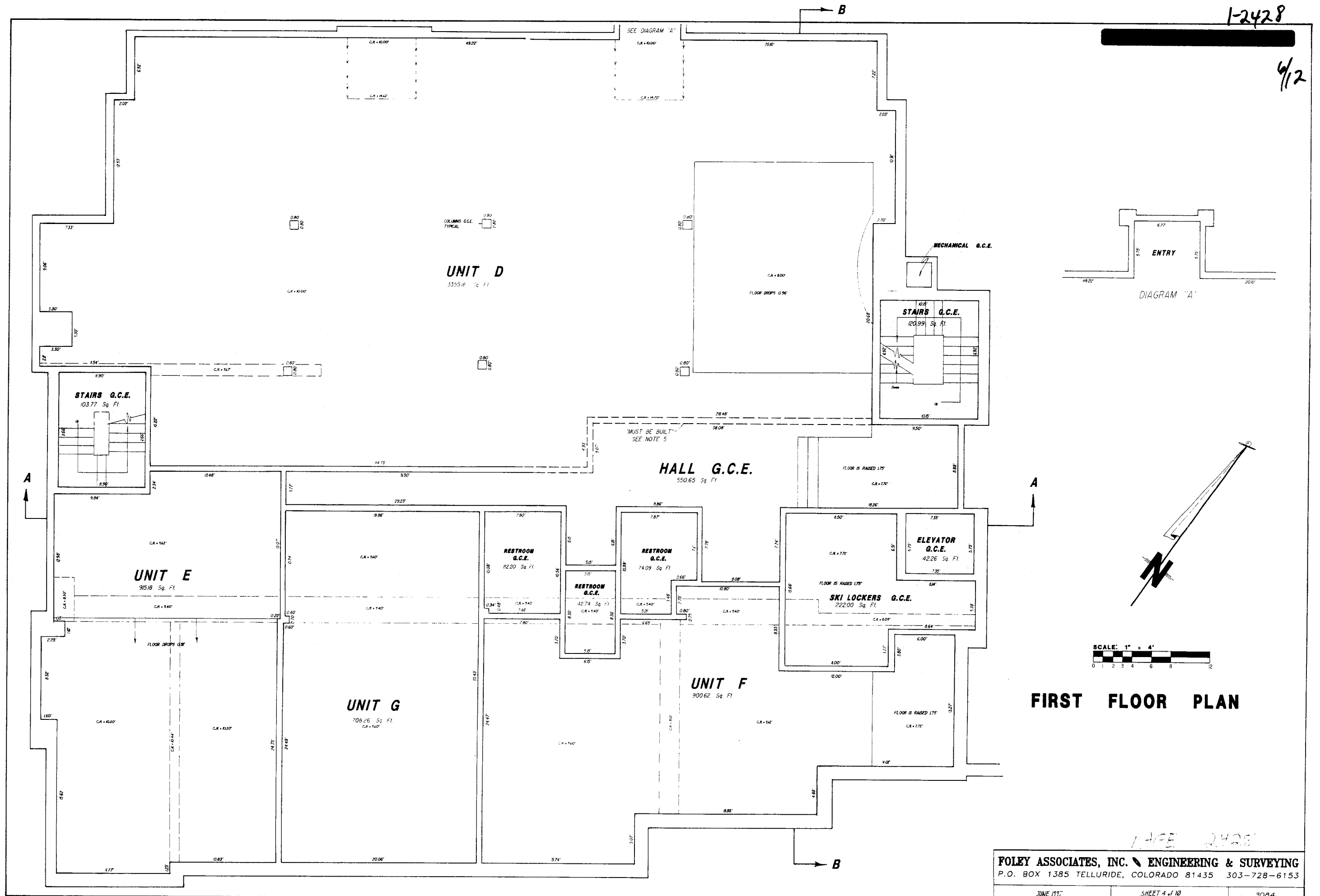


BASEMENT FLOOR PLAN

1-2427

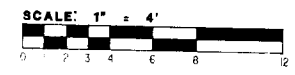
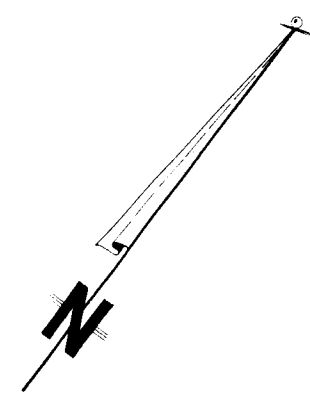
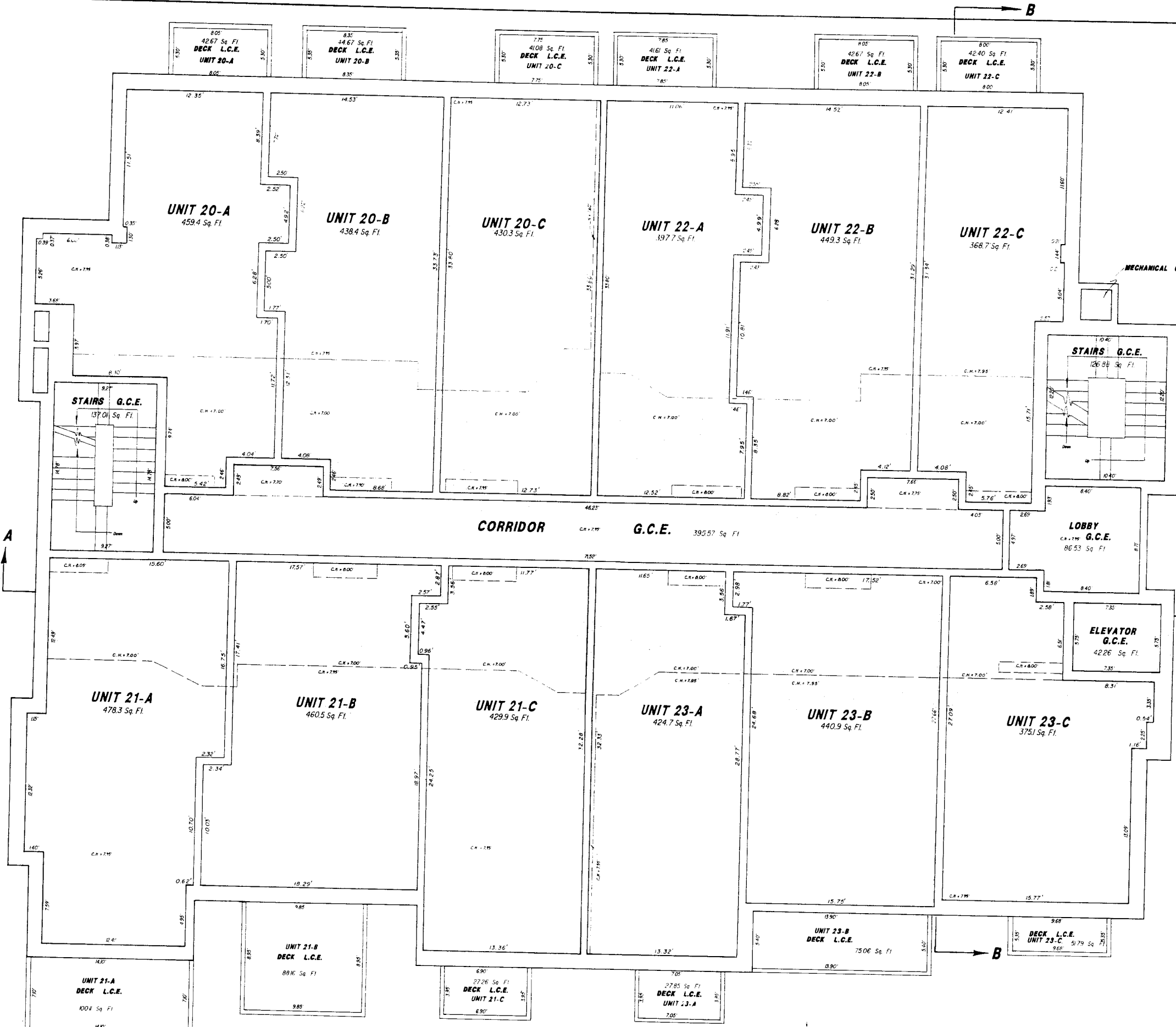
1-2428

4/12



FIRST FLOOR PLAN

FOLEY ASSOCIATES, INC. ENGINEERING & SURVEYING
 P.O. BOX 1385 TELLURIDE, COLORADO 81435 303-728-6153

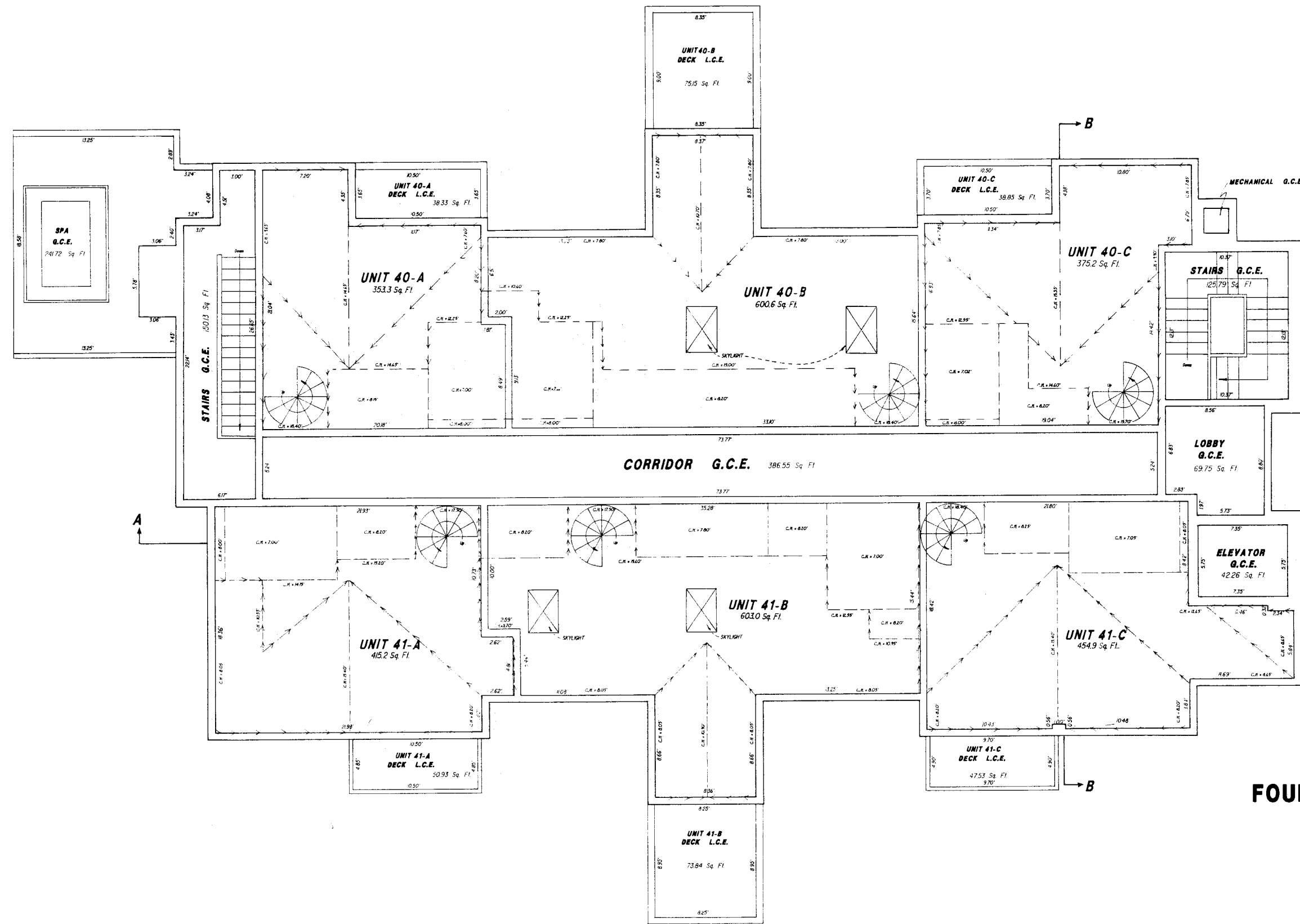


SECOND FLOOR PLAN



THIRD FLOOR PLAN

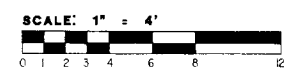
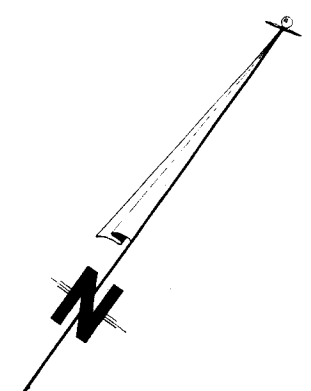
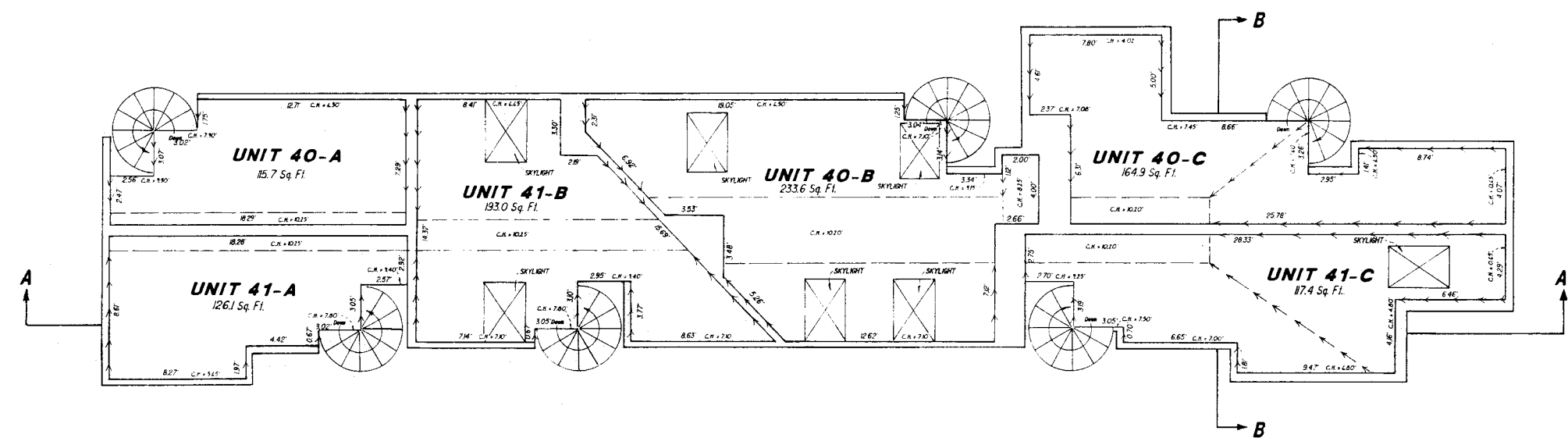
115E 2430



FOURTH FLOOR PLAN

1-2432

10/17



FOURTH FLOOR LOFT

1-2433

11/12

SECTION A-A

FOURTH FLOOR LOFT 9576.67

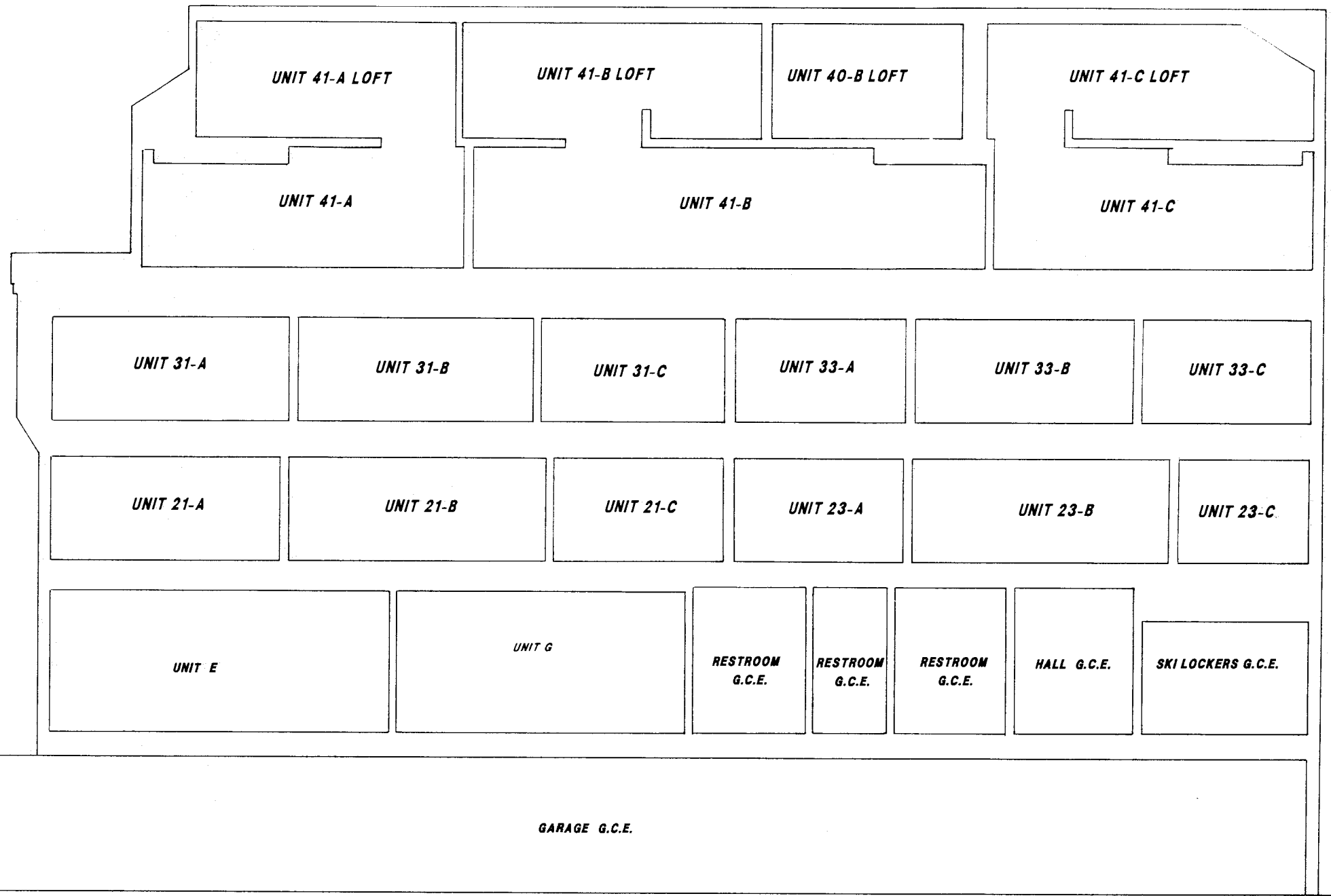
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THIRD FLOOR 9557.36

SECOND FLOOR 9547.93

FIRST FLOOR 9536.21

GARAGE 9525.34



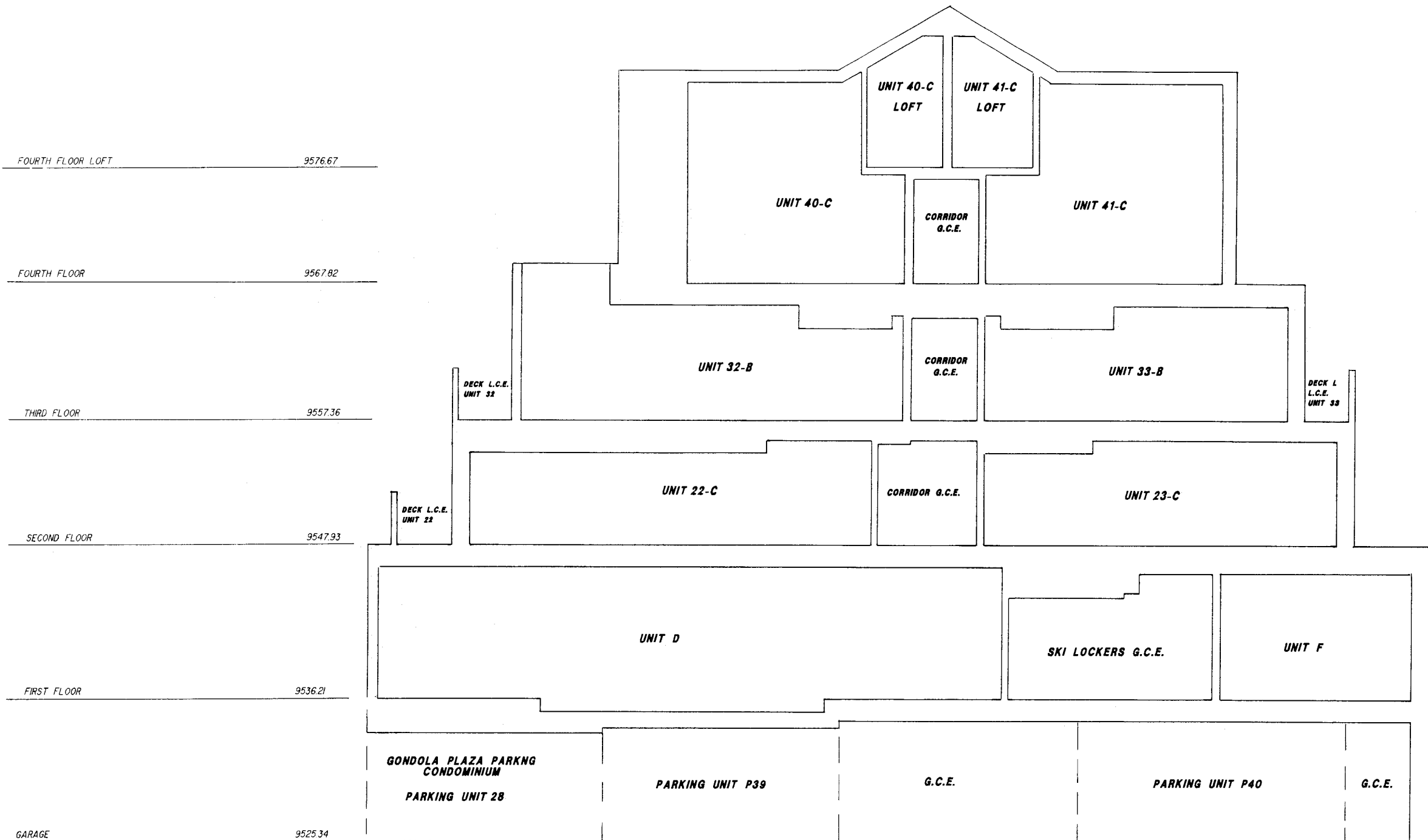
ELEVATOR G.C.E.

1-2433

F2434

12/12

SECTION B-B



1.105 2.100

FILED COPY

ARTICLES OF INCORPORATION

FOR

BLUE MESA LODGE CONDOMINIUM ASSOCIATION, INC.
(A Nonprofit Corporation)

The undersigned hereby signs and acknowledges, for delivery in duplicate to the Secretary of State of Colorado, these Articles of Incorporation for the purpose of forming a nonprofit corporation under the Colorado Nonprofit Corporation Act. The incorporator is acting as incorporator of the Blue Mesa Lodge Condominium Association, Inc. pursuant to vote, resolution and authorization of the members and Board of Directors of the Blue Mesa Condominium Association, a Colorado nonprofit corporation.

RECITALS

19971135604 C

\$ 50.00

3/27/97 SECRETARY OF STATE

A. The Blue Mesa Condominiums were originally created by a Declaration recorded in Book 461, at Page 26 under reception No. 262839 of the real estate records of San Miguel County (the "Declaration"), and by a Condominium Map recorded December 22, 1989 in Plat Book 1 at Page 972 of the San Miguel County real estate records (the "Original Condominium Map"). The building subject to the foregoing documents has been referred to and is commonly known as the Blue Mesa Condominiums.

B. The Declaration was amended by an instrument titled First Amendment to the Condominium Declaration for Blue Mesa Condominium recorded September 14, 1994, in Book 534, Page 954 of the records of the San Miguel County Clerk and Recorder. The Declaration, as amended, is defined as the "Original Declaration."

C. The Original Declaration was amended and supplemented by an instrument titled Supplement to Condominium Declaration for Blue Mesa condominium recorded September 15, 1994, in Book 535, at Page 29, in the records of the Clerk and Recorder of San Miguel County, Colorado (the "Supplemental Declaration"). The Original Condominium Map was amended and supplemented by an instrument titled First Supplement to Condominium Map for Blue Mesa Condominium, recorded September 15, 1994, in Plat Book 1 at Page 1740 of the San Miguel County real estate records, (the "Supplemental Condominium Map"). The building subject to just the foregoing documents has been referred to and is commonly known as the Blue Mesa Lodge Condominiums.

D. The Blue Mesa Condominium Association, a Colorado nonprofit corporation, was originally the association of unit owners authorized to administer the entire Blue Mesa Condominium Community (as established by the Original Declaration, the Original Condominium Map, the Supplemental Declaration and the Supplemental Condominium Map) for the purposes of managing common expenses and assessments and managing and operating the entire Blue Mesa Condominium Community.

E. The Owners of Units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association have divided or are dividing the entire Blue Mesa Condominium Community into two separate Condominium Communities, one of which consists solely of the property subject to the Original Declaration and the Original Condominium Map, and which Condominium Community is now known as and has been referred to as the Blue Mesa Condominiums (amended). The other of which consists solely of the property subject to the Supplemental Declaration and the Supplemental Condominium Map, and which Condominium Community is now known as and has been referred to as the Blue Mesa Lodge Condominiums.

F. The Owners of Units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association, as a part of amendments to the Original Declaration, the Original Condominium Map, the Supplemental Declaration and the Supplemental Condominium Map, wish to allocate management of the separate Condominium Communities to separate owner associations, with the owners association for the amended Blue Mesa Condominium Community being the Blue Mesa Condominium Association and the owners association for the Blue Mesa Lodge Condominium Community being the Blue Mesa Lodge Condominium Association, Inc. Further, the Owners of units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association, as a part of those amendments, wish to exclude the Owners of the Blue Mesa Lodge Condominiums from the Blue Mesa Condominium Association and wish to adopt these Articles of Incorporation, all as set forth below.

G. The undersigned, being an authorized officer and agent of the Blue Mesa Condominium Association, hereby certifies and verifies that the approval to organize the Blue Mesa Lodge Condominium Association, Inc. as set forth below, has been obtained from (i) all Owners of those Condominium Units constituting a total of one hundred percent (100%) of the percentage interests in the Common Elements of the entire Blue Mesa Condominium Community, as established in the Original Declaration and the Supplemental Declaration; (ii) from the Blue Mesa Condominium Association; and (iii) that the following have been adopted by the Blue Mesa Lodge Condominium Association Board of Directors and the Owners of Units at the Blue Mesa Lodge Condominiums.

ARTICLE 1--Name

The name of this corporation is Blue Mesa Lodge Condominium Association, Inc. ("Blue Mesa Lodge Condominium Association" or "Association").

ARTICLE 2--Duration

The duration of the Blue Mesa Lodge Condominium Association shall be perpetual.

ARTICLE 3--Nonprofit

The Blue Mesa Lodge Condominium Association shall be a nonprofit corporation, without shares of stock.

ARTICLE 4--Purposes and Powers of Blue Mesa Lodge Condominium Association

The purposes for which the Blue Mesa Lodge Condominium Association is formed are as follows:

- (a) To operate the Blue Mesa Lodge Condominium Community and the "Blue Mesa Lodge Condominiums" (as created by the Supplemental Declaration and the Supplemental Map, as those instruments have been or are in the process of being amended by an Amended Declaration of the Blue Mesa Lodge Condominiums, as that Amended Declaration and the Supplemental Map may be further amended from time to time) located in San Miguel County, Colorado, for the purposes of enhancing and preserving the value of the properties of the members.
- (b) To perform acts and services, in accordance with the requirements for an association of owners charged with the administration of property under applicable portions of the Colorado Common Interest Ownership Act, as amended.
- (c) To manage, supervise, care for and operate the Blue Mesa Lodge Condominium Community.
- (d) To maintain the Common Elements within the Blue Mesa Lodge Condominium Community.
- (e) To enforce any and all covenants, restrictions, rules and regulations and agreements applicable to the Blue Mesa Lodge Condominium Community.
- (f) To prepare estimates and budgets of the costs and expenses of rendering these services, any other services as deemed appropriate by the Board; and to perform, or contract, or enter into agreements for that performance, as provided for or contemplated in this Article.
- (g) To apportion the estimated costs and expenses among the Owners and collect those costs and expenses from the Owners obligated to assume or bear the same.
- (h) To borrow money for the purposes of the Blue Mesa Lodge Condominium Association.
- (i) To adopt, on behalf of the Unit Owners, rules and regulations made or promulgated by the Board with respect to the safe occupancy, reasonable use and enjoyment of the Units, building, structures, grounds and facilities of the Blue Mesa

Lodge Condominium Community, and to enforce compliance with these rules, including the levy of reasonable fines.

(j) To perform or cause to be performed, all other and additional services and acts as are usually performed by an association of owners, or as deemed appropriate by the Board, including, without limitation, keeping or causing to be kept, appropriate books and records, preparing and filing necessary reports and returns, and making or causing to be made audits of books and accounts.

(k) To promote the health, safety, well being and common benefit of the residents and occupants of the properties subject to the Amended Declaration of the Blue Mesa Lodge Condominiums.

(l) To engage a manager or management company, engage or retain counsel, auditors, accountants, appraisers and other persons or services that may be necessary for or incidental to any of the activities of the Blue Mesa Lodge Condominium Association, and to acquire, sell, mortgage, lease or encumber any real or personal property for any purpose of the Blue Mesa Lodge Condominium Community.

(m) To eliminate or limit the personal liability of a Director to the Blue Mesa Lodge Condominium Association or to the members for monetary damages for breach of fiduciary duty as a Director, as allowed by law.

(n) To do any and all permitted acts suitable or incidental to any of the foregoing purposes and objects to the fullest extent permitted by law, and do any and all acts that, in the opinion of the Board will promote the common benefit and enjoyment of the occupants, residents and Unit Owners of the Blue Mesa Lodge Condominium Community, and to have and to exercise any and all powers, rights and privileges which are granted under applicable portions of the Colorado Common Interest Ownership Act, the Amended Declaration, the Bylaws, and the laws applicable to a nonprofit corporation of the State of Colorado.

The foregoing statements of purpose shall be construed as a statement of both purposes and powers. The purposes and powers stated in each clause shall not be limited or restricted by reference to or inference from the terms or provisions of any other clause, but shall be broadly construed as independent purposes and powers. The Blue Mesa Lodge Condominium Association shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the primary purposes of the Blue Mesa Lodge Condominium Association.

ARTICLE 5--Membership Rights and Qualifications

Any person who holds title to a Unit in the Blue Mesa Lodge Condominium Community shall be a member of the Blue Mesa Lodge Condominium Association. There shall be one membership for each Unit owned within the Blue Mesa Lodge Condominium Community. This

membership shall be automatically transferred upon the conveyance of that Unit. The vote to which each membership is entitled is the number of votes assigned to the Unit in the Amended Declaration of the Blue Mesa Lodge Condominium Community. If a Unit is owned by more than one person, those persons shall agree among themselves how a vote for that Unit's membership is to be cast. Individual co-owners may not cast fractional votes. A vote by a co-owner for the entire Unit's membership interest shall be deemed to be pursuant to a valid proxy, unless another co-owner of the same Unit objects at the time the vote is cast, in which case such membership's vote shall not be counted.

ARTICLE 6--Agent for Service

The initial registered agent of the Blue Mesa Lodge Condominium Association shall be Telluride Resort Accommodations, Inc., at the registered address of 666 West Colorado Avenue, Telluride, Colorado 81435.

ARTICLE 7--Executive Board

The initial Executive Board shall consist of three persons, and this number may be changed by a duly adopted amendment to the Bylaws, except that in no event may the number of Directors be less than three and provided further that the number of Directors shall always be a number divisible by three. The names and addresses of the persons who shall serve as Directors until their successors shall be elected and qualified are as follows:

<u>DIRECTOR</u>	<u>ADDRESS</u>
Jack Brady	1711 Connecticut Avenue, Suite 200, Washington, D.C. 20009
Sam Dunn	1711 Connecticut Avenue, Suite 200, Washington, D.C. 20009
Leonard Conway	P.O. Box 744, 66 Seafield Lane, Westhampton Beach, NY 11978

ARTICLE 8--Amendment

Amendment of these Articles shall require the assent of at least two-thirds of the votes in the Blue Mesa Lodge Condominium Association at a meeting of the members at which a quorum is present.

ARTICLE 9--Dissolution

In the event of the dissolution of the Blue Mesa Lodge Condominium Association as a corporation, either voluntarily or involuntarily by the members hereof, by operation of law or otherwise, then the assets of the Blue Mesa Lodge Condominium Association shall be deemed to be owned by the members at the date of dissolution, as a part of their Unit, in proportion to their allocated interests, unless otherwise agreed or provided by law.

ARTICLE 10--Interpretation

Express reference is hereby made to the terms and provisions of the Amended Declaration, which shall be referred to when necessary to interpret, construe or clarify the provisions of these Articles. In the event of conflict, the terms of the Amended Declaration shall control over these Articles of Incorporation.

ARTICLE 11--Incorporator

The name and address of the incorporator is as follows: Jack Brady, 1711 Connecticut Avenue, Suite 200, Washington, D.C. 20009. The incorporator is acting as incorporator of the Blue Mesa Lodge Condominium Association pursuant to vote, resolution and authorization of the members and Board of Directors of the Blue Mesa Condominium Association, a Colorado nonprofit corporation.

IN WITNESS WHEREOF, the undersigned has signed these Articles in duplicate this 25th day of AUGUST, 1997, to be effective September 1, 1997.

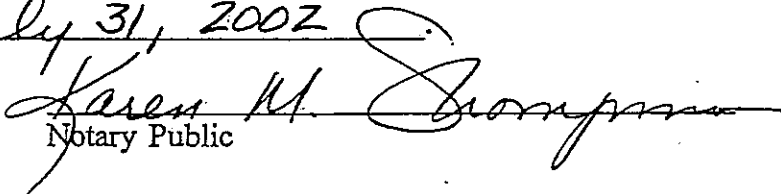


Jack Brady

STATE OF _____)
DISTRICT OF COLUMBIA) ss.
COUNTY OF _____)

Subscribed and sworn to before me this 25th day of AUGUST, 1997, by Jack Brady.

Witness my hand and official seal.

My commission expires: July 31, 2002


Notary Public

PAID: \$256.00

314222

AMENDED DECLARATION

OF THE

BLUE MESA LODGE CONDOMINIUMS

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*AMENDED DECLARATION
OF THE
BLUE MESA LODGE CONDOMINIUMS*

This Amended Declaration is made the date set forth below to be effective September 1, 1997.

RECITALS:

A. The Blue Mesa Condominiums were originally created by a Declaration recorded in Book 461, at Page 26 under reception No. 262839 of the real estate records of San Miguel County (the "Declaration"), and by a Condominium Map recorded December 22, 1989 in Plat Book 1 at Page 972 of the San Miguel County real estate records (the "Original Condominium Map").

B. The Declaration was amended by an instrument titled First Amendment to the Condominium Declaration for Blue Mesa Condominium recorded September 14, 1994, in Book 534, Page 954 of the records of the San Miguel County Clerk and Recorder. The Declaration, as amended, is defined as the "Original Declaration."

C. The Original Declaration was amended and supplemented by an instrument titled Supplement to Condominium Declaration for Blue Mesa condominium recorded September 15, 1994, in Book 535, at Page 29, in the records of the Clerk and Recorder of San Miguel County, Colorado (the "Supplemental Declaration"). The Original Declaration, as amended and supplemented by the Supplemental Declaration is referred to hereinafter as the "Original, Supplemental Declaration."

D. The Original Condominium Map was amended and supplemented by an instrument titled First Supplement to Condominium Map for Blue Mesa Condominium, recorded September 15, 1994, in Plat Book 1 at Page 1740 of the San Miguel County real estate records, (the "Supplemental Condominium Map"). The Original Condominium Map as amended and supplemented by the Supplemental Condominium Map is referred to hereinafter as the "Original, Supplemental Condominium Map."

E. The properties subject to the Original, Supplemental Declaration are as described in Exhibit A of the Original Declaration and the Original Condominium Map and as described in paragraph 1 of the Supplemental Declaration and the Supplemental Condominium Map.

F. The Blue Mesa Condominium Association is the association of unit owners authorized to administer the entire Blue Mesa Condominium Community (as created by the

Original, Supplemental Declaration and the Original, Supplemental Condominium Map) to manage common expenses and assessments.

G. The Owners of Units in the Blue Mesa Condominium Community and the Blue Mesa Condominium Association wish to amend the Original, Supplemental Declaration as set forth in this Declaration and as may be set forth in a separate Amended and Restated Declaration of the Blue Mesa Condominiums.

H. The Owners of Units in the entire Blue Mesa Condominium Community and the Blue Mesa Condominium Association have divided the entire Blue Mesa Condominium Community into two separate Condominium Communities, one of which consists of the property subject to the Original Declaration and the Original Condominium Map, as amended, and which Condominium Community is now known as (and has been referred to as) the Blue Mesa Condominiums (amended). The other of which consists of the property subject to the Supplemental Declaration and the Supplemental Condominium Map, as amended by this Declaration, and which Condominium Community is now known as (and has been referred to as) the Blue Mesa Lodge Condominiums.

I. Pursuant to paragraph 33(b) of the Original, Supplemental Declaration, the Original, Supplemental Declaration may be terminated and/or amended by the approval of not less than eighty percent (80%) of the Owners and at least seventy-five percent (75%) of all First Mortgagees and the holders of recorded mortgages.

J. The undersigned, being an authorized officer and agent of the Blue Mesa Condominium Association, hereby certifies and verifies that the Blue Mesa Condominium Association has obtained the approval to amend the Original Declaration and the Supplemental Declaration as set forth in this Declaration from all (100%) of the Owners of the entire Blue Mesa Condominium Community and from at least seventy-five percent (75%) of the First Mortgagees.

NOW, THEREFORE, the Original, Supplemental Declaration and the Original, Supplemental Condominium Map are amended by the exclusion of the real property described in the Supplemental Declaration and the Supplemental Condominium Map and the Blue Mesa Lodge Condominium Community is created, by amendment, through this Declaration:

ARTICLE 1 SUBMISSION/DEFINED TERMS

Section 1.1 Submission of Real Estate. The undersigned hereby submits the real estate described in the Supplemental Declaration and the Supplemental Condominium Map, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon (collectively, the "Real Estate") to the terms and conditions of this Declaration. The Real Estate is also hereby removed from the Original, Supplemental Declaration

and the original Supplemental Condominium Map. The undersigned hereby declares that all of the Real Estate shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions. The undersigned further declares that this Declaration is made for the purpose of protecting the value and desirability of the Real Estate, that this Declaration shall run with the Real Estate and shall be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, legal representatives, successors, and assigns and shall inure to the benefit of each Unit Owner thereof.

Section 1.2 Defined Terms. Each capitalized term in this Declaration or in the Supplemental Condominium Map shall have the meaning specified or used in the Act, unless the context requires otherwise or unless otherwise defined in this Declaration:

- a. Act means applicable portions of the Colorado Common Interest Ownership Act, C.R.S. § 38-33.3-101, *et seq.*, as it may be amended from time to time.
- b. Articles of Incorporation or Articles means the articles of incorporation of the Blue Mesa Lodge Condominium Association, Inc., as amended from time to time.
- c. Association means the Blue Mesa Lodge Condominium Association, Inc., a Colorado nonprofit corporation, its successors and assigns.
- d. Bylaws means the duly adopted bylaws of the Blue Mesa Lodge Condominium Association, Inc., as amended from time to time.
- e. Commercial Unit means a portion of the Blue Mesa Lodge Condominium Community designated and intended for individual ownership for commercial use and consists of any one of those Units of the Condominium community which is separately identified by the words "Commercial Unit", followed by an identifying symbol and separately shown on the Supplemental Condominium Map, together with the percentage interest in the Common Elements appurtenant to that Unit.
- f. Common Elements means the Real Estate within the Blue Mesa Lodge Condominium Community co-owned by the Owners and as designated in a recorded Supplemental Condominium Map and in this Declaration.
- g. Common Expense Assessment(s) shall mean expenditures made or liabilities incurred by or on behalf of the Blue Mesa Lodge Condominium Association, Inc., together with an allocation for reserves, and including the late charges, attorneys' fees, fines and interest charged by the Blue Mesa Lodge Condominium Association, Inc. Common Expense Assessments shall include common water, common electricity, common sewer, common heating and/or common hot water, until or unless any such utilities are separately metered and such utilities shall be excluded from the budget. Upon metering, the metered services shall be billed by the Blue Mesa Lodge Condominium Association, Inc. or billed directly by the service provider to the appropriate Unit and Unit Owner, and

those metered services shall continue to be excluded from the budget to be ratified by the members. Common Expense Assessment(s) shall also include the following: (i) all sums lawfully assessed against the Owners and their units by the Blue Mesa Lodge Condominium Association, Inc.; (ii) expenses of administration, management, maintenance, repair or replacement of the Common elements; (iii) expenses declared Common Expenses by provisions of this Declaration and the Bylaws of the Blue Mesa Lodge Condominium Association, Inc.; (iv) expenses of snow removal and maintenance of public or private roadways, walkways or other areas within and/or adjacent to the Community and necessary and/or convenient to the Community or part thereof; and (v) additional expenses agreed upon as Common Expenses by an extraordinary majority vote of the Association Owners, representing an aggregate ownership interest of three-fourths (3/4) of the Owners.

h. Community shall mean and refer to the Blue Mesa Lodge Condominium Community, which Condominium Community is a Condominium Community as defined in the Act and which Condominium Community is also a Common Interest Community as defined in the Act.

i. Condominium Act shall mean and refer to applicable portions of the Colorado Ownership Act, C.R.S. § 38-33-101 *et seq.* as it may be amended from time to time.

j. Declaration means this Amended Declaration, as amended from time to time.

k. Eligible Holder means a holder, insurer or guarantor of a first lien Security Interest who has delivered a written request to the Blue Mesa Lodge Condominium Association, Inc. containing its name, address, the legal description and the address of the Unit upon which it holds a Security Interest or first mortgage.

l. Executive Board, Board or Board of Directors means the body, regardless of name, designated in this Declaration to act on behalf of the Blue Mesa Lodge Condominium Association, Inc.

m. Governing Documents means this Declaration, the plat and Supplemental Condominium Map, the Articles of Incorporation, the Bylaws, and any Rules and Regulations of the Blue Mesa Lodge Condominium Association, Inc., as all of the foregoing may be amended from time to time.

n. Limited Common Elements means those portions of the Common Elements, if any, designated for the exclusive use of one or more but fewer than all of the Units, including any decks or storage areas.

o. Managing Agent means the person or company employed and so designated by the Board to perform the management and operation functions of the Community. There may be only one Managing Agent for the Community.

p. Parking Space Unit or Parking Unit means a portion of the Blue Mesa Lodge Condominium Community designated and intended for individual ownership for permitted vehicle parking use as more particularly described in this Declaration and the Supplemental Condominium Map, and consist of any one of those Units of the Blue Mesa Lodge Condominium Community for permitted vehicle parking use, which is separately identified and separately shown on the Supplemental Condominium Map.

q. Real Estate means the property described in the Supplemental Declaration and the Supplemental Condominium Map, together with all easements, rights, and appurtenances thereto and the buildings and improvements erected or to be erected thereon.

r. Residential Unit means a portion of the Blue Mesa Lodge Condominium Community designated and intended for individual ownership for residential use and as described in this Declaration and the Supplemental Condominium Map and consists of any one of those Units of the Blue Mesa Lodge Condominium Community which is separately identified by the words "Residential Unit" and separately shown on the Supplemental Condominium Map, together with percentage interest in the Common Elements appertaining to that Unit. Residential Unit shall or may include, but not be limited to, apartments, lock-off units, suites or lodge units.

s. Rules and Regulations means any instruments, however denominated, which are adopted by the Blue Mesa Lodge Condominium Association, Inc. for the regulation and management of the Blue Mesa Lodge Condominium Community, including any amendment to those instruments.

t. Unit means a physical portion of the Community, designated for separate ownership, shown as a Unit on the recorded Supplemental Condominium Map for the Community, the boundaries of which are defined in the Supplemental Condominium Map and in this Declaration.

u. Unit Owner or Owner means any person or entity that owns a Unit.

ARTICLE 2 NAMES/DESCRIPTION OF REAL ESTATE

Section 2.1 Statement of Purpose - Condominium Units. The Real Estate is hereby confirmed to have been divided in ownership into Condominium Units as described in the Supplemental Condominium Map, each consisting of a separate, fee simple absolute estate in a

designated Unit, together with the appurtenant, fractional or percentage, undivided fee simple interest in and to the Common Elements which is set forth opposite the designating Unit symbol as restated and amended in Exhibit A of this Declaration, attached to and by this reference made part of this Declaration, and together with the right to use, to the exclusion of others, any Limited Common Elements designated herein and/or on the Supplemental Condominium Map as appurtenant to the Unit or Units in question.

Section 2.2 Name and Type. The type of Common Interest Community is a Condominium Community. The name of the Condominium Community is the "Blue Mesa Lodge Condominiums." The name of the Association is the "Blue Mesa Lodge Condominium Association, Inc."

Section 2.3 Number of Units. The number of Units presently included in the Blue Mesa Lodge Condominium Community is twenty-nine (29), including ten (10) Units used for residential purposes, four (4) Units used for commercial purposes and fifteen (15) Units used for parking purposes.

Section 2.4 Supplemental Condominium Map. The Supplemental Condominium Map currently depicts and each further supplement, amendment, addition, section of, of that map shall depict: (a) The legal description of the surface of the property described and a survey thereof and/or, in the case of supplements to the Supplemental Condominium Map, the surface of that Additional Property being added to the Community and being submitted to condominium ownership by supplement to this Declaration; (b) The linear measurements and location, with reference to the exterior boundaries of said land, of the buildings and all improvements built on said land depicted; (c) Perimeter floor plans and elevation plans of building improvements on said land, showing the horizontal and vertical location, the letter and/or number designation and the linear dimensions of each Unit, and the designation of the Limited Common Elements as can reasonably be depicted on said Supplemental Condominium Map. Supplemental condominium maps need not depict those utility lines or fixtures which are located within walls, attics, the ground or other places where they are not normally visible and which are Common Elements or which, because they serve only one Unit, are Limited Common Elements; (d) The elevations of the unfinished interior surfaces of the floors and ceilings as established from a datum plane and the linear measurements showing the thickness of the perimeter walls and those walls separating Units; (e) The designation of each Unit as Commercial Condominium Unit, a Residential Condominium Unit, or a Parking Unit; (f) Supplemental condominium maps shall comply with this Declaration and Colorado law, shall not be filed for record until any building shown thereon has been substantially completed and shall contain a statement of an architect, engineer or duly registered land surveyor certifying that such supplemental condominium maps fully and accurately depicts the layout, measurement and location of all the improvements, the Building, the Units and the Condominium Units (Residential, Commercial or Parking) designations, the dimensions of such Units, all Limited Common Elements which can be reasonably depicted and the elevations of the floors and ceilings.

The Blue Mesa Lodge Condominium Association, Inc. continues to have the reserved right, from time to time, without the consent of any Owner or any others being required; to amend the Supplemental Condominium Map and any additional supplemental condominium map supplement(s) to conform those Supplemental Condominium Maps to the actual location of any of the constructed improvements.

Section 2.5 Alterations Within and Between Units. If any Unit Owner is the owner of two or more adjoining Residential Units, then such Unit Owner shall have the right to remove all or any part of any intervening partition or to create doorways or other apertures therein, as allowed under the Act, notwithstanding the fact that such partition may, in whole or in part, be a General or Limited Common Element, so long as no portion of any bearing wall or bearing column is weakened or removed, and no portion of any Common Element other than that partition and/or the materials and items contained therein is damaged, destroyed or endangered, and so long as the Owner obtains approval of the Blue Mesa Lodge Condominium Association and complies with the provisions of the Act as related to alterations within and between Units. In no event, however, may adjoining Residential and Commercial Condominium Units be combined. Parking Units may not be joined. No amendment shall be effective until the appropriate instruments are executed and recorded in accordance with applicable law. It is confirmed and acknowledged that no Residential Unit Owner's consent is needed to such amendment other than the Unit Owners of the Residential Units to be combined.

A Unit Owner may make improvements or alterations within his or her Unit at their sole cost and risk, with the Owner indemnifying the Blue Mesa Lodge Condominium Association from any loss or claim related thereto, including the Owner's failure to obtain worker's compensation insurance; provided that the improvements do not impair the structural integrity of the building or the structure or otherwise lessen the support of any portion of the Condominium or the Blue Mesa Lodge Condominium Community. No Unit Owner shall do anything (including painting) which would change the exterior appearance of his or her Unit or entrance doors or any other portion of the Blue Mesa Lodge Condominium Community (including Limited Common Elements) without the express written consent of the Board of Directors. No Unit Owner shall engage in any conduct in any Unit or in the Common Elements which is not consistent with a safe and pleasant environment as may be more particularly set out in the Governing Documents.

A Parking Unit Owner may not make improvements or alterations to his or her Parking Space Unit whether or not of a structural nature without the express written consent of the Board of Directors.

The Blue Mesa Lodge Condominium Association, Inc. may promulgate guidelines for the materials which may be used for any construction, improvements and/or alterations. All alterations must be in compliance with the requirements of local government.

Section 2.6 Limited Common Elements. Except for, or provided for, or if inconsistent with the Supplemental Condominium Map, the following portions of the Common Elements are Limited Common Elements assigned to the Units as stated: (a) Any balcony or patio which is

accessible directly from, is associated with and which adjoins an individual Unit, shall, without need for further reference thereto, be confirmed to be a Limited Common Element to be used in conjunction with such Unit to the exclusion of others, except by invitation of the Owner(s) of the Unit in questions; (b) Exterior windows and doors, screens and exterior lights which abut one Unit only and do not provide access and/or light to more than one Unit, shall be considered Limited Common Elements of said one Unit; (c) If a chute, flue, pipe, duct, wire, conduit, bearing wall, bearing column or other fixture lies partially within and partially outside the designated boundaries of a Unit, the portion serving only the Unit is a Limited Common Element, allocated solely to the Unit, the use of which is limited to that Unit and any portion serving more than one (1) Unit is a Limited Common Element to those Units and any portion serving only the Common Elements is a part of the Common Elements; (d) Any doorsteps, decks and exterior doors and windows or other fixtures designed to serve a single Unit, located outside the boundaries of the Unit, are Limited Common Elements allocated exclusively to the Unit and their use is limited to that Unit; (e) Limited Common Elements shall be kept in good repair by the Unit Owner to which those Limited Common Elements are allocated, except that balconies may be cleared of snow by the Blue Mesa Lodge Condominium Association as an expense to the Owners with the rights to use a balcony. If such repair is reasonably required and is not undertaken within a reasonable time by the Owner, the Blue Mesa Lodge Condominium Association, Inc. may make such repair, and charge the Unit Owner for the cost of such repair. If such cost is not paid, the unpaid amount shall constitute a lien upon the Unit, which the Blue Mesa Lodge Condominium Association, Inc. may enforce according to this Declaration and Colorado law. Any Limited Common Element assigned to a Unit may not be changed without the express written consent of Unit Owners having the right to use such Limited Common Element.

Section 2.7 Common Elements. The real estate described in the Supplemental Condominium Map are the Common Elements. Portions of any Common Elements may be designated as a part of a Unit or as a Limited Common Element to a Unit, and portions of Units may become Common Elements or Limited Common Elements, pursuant to rights reserved elsewhere in this Declaration.

Section 2.8 Inseparability of Condominium Units. A Condominium Unit's undivided interest in and to the Common Elements shall not be separated from the Condominium Unit of which it and/or they are part of or appurtenant to, by deed, lease, encumbrance or otherwise (except as provided in reserved rights in this Declaration) and shall be deemed to be conveyed or encumbered with the Condominium described in a deed or other instruments.

Section 2.9 Identification of Units/Unit Descriptions. The identification letter of each Unit is shown on the Supplemental Condominium Map and Exhibit A of this Declaration. Every contract for sale, deed, lease, Security Interest, will or other legal instrument shall legally describe a Unit by its identifying letter, followed by the name of the Community, with or without reference to the prior Community in which the Unit was included (the Blue Mesa Condominium Community) with reference to the Supplemental Condominium Map and this Declaration. An illustrative description is as follows:

Unit ____, Blue Mesa Lodge Condominiums (formerly known as Unit __ of the Blue Mesa Condominiums), in accordance with the recorded Supplemental Condominium Map and Declaration, San Miguel County, Colorado.

Reference to this Declaration and Supplemental Condominium Map in any instrument shall be deemed to include any supplement(s) or amendment(s) to the Declaration and Supplemental Condominium Map, without specific references thereto; except that reference to the Supplemental Condominium Map shall not include, with or without reference, the separate Blue Mesa Lodge Condominium Community of the Blue Mesa Condominiums (as amended).

Section 2.10 Unit Boundaries. Unit boundaries are as depicted on the Supplemental Condominium Map. In supplementation of those descriptions and definitions created by the Supplemental Condominium Map, but without modification, the following terms and conditions further define Unit boundaries:

a. Inclusions. Each Unit includes the spaces and improvements lying within the boundaries depicted on the Supplemental Condominium Map. If any Unit shall be constructed with windows which protrude beyond the confines of the lateral or perimetric boundaries of said Unit (such windows being commonly known as "bay windows") or with fireplace structures which protrude beyond the confines of the lateral or perimetric boundaries of the Unit, or with garden boxes (also called window boxes) which protrude beyond the perimetric boundaries of the Unit, then the lateral or perimetric boundaries of the Unit shall be deemed to extend to include the area contained within such protrusions, and such areas shall be considered as a part of the Unit and not as a part of the Common Elements. Each Unit also includes the utilities to the extent those utilities exclusively serve that Unit and interior stairways that serve just that Unit. Utilities that may exclusively serve a Unit include, but are not limited to: the spaces and improvements containing utility meters, water heating facilities, electrical switches, wiring, pipes, ducts, conduits, smoke detector or security systems and communications, and television, telephone and electrical receptacles and boxes.

b. Exclusions. Except when specifically included by other provisions of this Declaration or by the Supplemental Condominium Map, the following are excluded from each Unit: the structural components of the Blue Mesa Lodge Condominium Community bearing walls, floors, halls, corridors, lobbies, stairs, stairways outside of the boundaries of a Unit, fire escapes, entrances, exits, roofs (except for the interior surface thereof, of a perimeter wall, floor or ceiling), foundations, columns, girders, beams, supports, shafts, all windows and doors, (except for interior windows and interior doors), or windows or doors serving only one Unit, the spaces and improvements lying outside the boundaries described above, air conditioners and heating systems, thresholds, exterior lighting and all chutes, pipes, flues, ducts, wires, conduits, skylights and other facilities running through or within any interior wall or partition for the purpose of furnishing utility and other service to other Units and the Common Elements.

c. Noncontiguous Portions. Certain Units may include special portions or pieces of equipment, such as utility meters, meter boxes, utility connection structures, and storage areas detached from the Unit. Such special equipment or storage portions are a part of the Unit, notwithstanding their non-contiguity with the principal portions as shown on the Supplemental Condominium Map. Each Unit includes the spaces and improvements lying within the boundaries described above, and also includes the utilities and utility meters and communications, television, telephone and electrical receptacles and boxes serving that Unit exclusively, whether or not in the boundaries or contiguous to the Unit, unless the same are maintained by a governmental agency or entity. The Common Elements are excluded from each Unit and any utilities or other facilities running through or within any Unit for the purpose of furnishing utility and other service to other Units and/or the Common Elements are also excluded.

d. Parking Space Boundaries. Each Parking Space Unit consists of the volumes or cubicles of space which are enclosed by the lower, upper and lateral or perimetrical boundaries described as follows: The lower boundaries of the underground Parking Space Units are horizontal planes, the elevation of which coincides with the elevation of the upper surface of the paved, concrete floor of the building garage, extended to intersect the lateral or perimetrical boundaries thereof. The upper boundaries of the underground Parking Space Units are horizontal planes, the elevation of which coincides with the lower surface of the finished ceiling separating the building garage from the ground floor of the building, extended to intersect the lateral or perimetrical boundaries thereof. The lateral or perimetrical boundaries of the underground Parking Space Units are (a) imaginary vertical planes of the center lines of the painted lines denoting and separating the underground Parking Space Units, (b) imaginary vertical planes intersecting the two imaginary vertical planes noted above and denoting the entrance to, and the width of, each underground parking Space Unit, (c) the vertical planes which coincide with the unfinished inside surfaces of the perimeter walls of the building garage for those underground Parking Space Units which front against the inside surface of said perimeter walls or the vertical planes which coincide with any railing or concrete step or center line of a painted line for those underground Parking Space Units which front against such items, said vertical planes extended to intersect the upper and lower boundaries of the underground Parking Space Units and to intersect the other lateral or perimetrical boundaries thereof.

Section 2.11 No Partition. The Common Elements shall be owned in common and shall remain undivided (except as provided in reserved rights in this Declaration). No right of action either for partition or division either of the Common Elements of an individual Condominium Unit or of an individual Unit shall or does exist whether by conveyance, contract, lease, easement, judicial proceeding or otherwise.

Section 2.12 Separate Taxation of Condominium Units. All taxes, assessments and other governmental impositions of the State of Colorado or of any political subdivision, special district or of any other taxing or assessing authority shall be assessed and collected against each

Condominium Unit separately and not against the building or the Community as a whole. Each separate Condominium Unit shall be designated on tax records as a separate and distinct parcel. For the purpose of valuation for assessment, the valuation of the Common Elements shall be apportioned among the several Condominium Units in proportion to their fractional or percentage undivided interest in the Common Elements. The lien for taxes assessed against any Condominium Unit shall be confined to that Condominium Unit. No forfeiture or sale of any Condominium for delinquent taxes, assessments or other governmental impositions shall divest or in any way affect the title to any other Condominium Unit.

Section 2.13 Title. A Condominium Unit may be held and owned by more than one person as joint tenants, as tenants in common, or in any form of real property co-ownership recognized under the laws of the State of Colorado.

Section 2.14 Certain Work Prohibited. No Owner shall undertake any work in his or her Unit or elsewhere in the Community which would jeopardize the soundness or safety of a Unit or the building or of the Community, reduce the value thereof or impair an easement or hereditament thereon or thereto without the unanimous vote of all other Owners. Structural alterations shall not be made by an Owner, to roof trusses or other supporting structural members, common water, gas or steam pipes, electric or other utility conduits, plumbing or other fixtures connected therewith, nor shall an Owner remove any improvements or fixtures from the building, the Community or any part thereof without prior written consent of the Board of Directors first having been obtained. No Owner shall enclose, by means of screening or otherwise, any balcony, yard, deck, patio or porch which is accessible from, associated with and which adjoins a Unit, without having first obtained the written approval of the Board (which approval may be withheld for any reason).

Section 2.15 Liens Against Condominium Units - Release of Lien - Effect of Part Payment. Liens or encumbrances shall only arise or be created against an individual Condominium Unit in the same manner and under the same conditions as liens and encumbrances may arise or be created against any other parcel of real property subject to individual ownership. Repair work performed on a Unit with the consent of, or at the request of an Owner or her or his agent, shall be the basis for the filing of a lien pursuant to law against the Unit only, except that express consent shall be deemed to have been given by the Owner of any Unit to the Blue Mesa Lodge Condominium Association, Inc. and/or Managing Agent in the case of need for emergency repairs. Labor performed upon, or material furnished for incorporation into the Common Elements, if duly authorized by the Blue Mesa Lodge Condominium Association, Inc. or its Managing Agent in accordance with the Declaration or the Bylaws, shall be deemed to be performed or furnished with the express consent of each Owner.

Each Owner shall indemnify and hold each of the other Owners harmless from and against liability or loss arising from any claim of lien against all or part of the Condominium Unit of another Owner, for labor or materials furnished in work on such indemnifying Owner's Unit. At the written request of any Owner, the Blue Mesa Lodge Condominium Association, Inc. shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was

performed and/or materials furnished the amount necessary to discharge any such lien and all costs incidental thereto, including reasonable attorney's fees. If not promptly paid, the Blue Mesa Lodge Condominium Association, Inc. may proceed to collect the same in the manner provided herein for collection of assessments hereunder for the purpose of discharging the lien.

Section 2.16 Unit Maintenance. Unit Owners are responsible for the maintenance, repair and replacement of the Improvements and properties located within their Unit boundaries which is not specifically the obligation of the Blue Mesa Lodge Condominium Association, Inc. to maintain, replace and keep in good repair. Unit Owners shall provide for all interior maintenance, repair and replacement of all Improvements constructed in a Unit.

ARTICLE 3 EASEMENTS

Section 3.1 Utility, Supplemental Condominium Map and Plat Easements. Easements for utilities and other purposes over and across the Units and Common Elements may be as shown upon a recorded plat and on the recorded Supplemental Condominium Map of the Blue Mesa Lodge Condominium Community.

Section 3.2 Easements for the Executive Board and Unit Owners. Each Unit shall be subject to an easement in favor of the Executive Board (including its agents, employees and contractors) and to each Unit Owner to allow for their performance of obligations in this Declaration. On exercising this easement right, the party exercising the right shall be responsible for any resulting damages, and a lien therefore is authorized and established against that party's property, pursuant to this Declaration.

Section 3.3 Emergency Easements. A nonexclusive easement for ingress and egress is hereby granted to the managing agent, to all police, sheriff, fire protection, ambulance, and other similar emergency agencies or persons, now or hereafter servicing the Blue Mesa Lodge Condominium Community, to enter upon any part of the Blue Mesa Lodge Condominium Community in the performance of their duties.

Section 3.4 Unit Owners' Easements of Enjoyment. Every Unit Owner shall have a right and easement access to their Unit and of enjoyment in and to any Common Elements and such easement shall be appurtenant to and shall pass with the title to every Unit, subject to the following provisions:

- a. The right of the Board to promulgate and publish Rules and Regulations which each Unit Owner and their guests shall strictly comply with.
- b. The right of the Board to suspend the voting rights and rights to use the Common Elements by an Unit Owner for any period during which any assessment against

their Unit remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published Rules and Regulations.

c. The right, power and authority of the Blue Mesa Lodge Condominium Association, Inc. to grant any easement, right-of-way, license, lease, dedication, transfer or conveyance or grant of any similar interest affecting the Common Elements, to the extent permitted by the Act.

d. The right of the Blue Mesa Lodge Condominium Association, Inc. to close or limit the use of the Common Elements while maintaining, repairing and making replacements in the Common Elements.

e. The Development Rights reserved in this Declaration.

Section 3.5 Delegation of Use. Any Unit Owner may delegate their right of enjoyment to the Common Elements and facilities to the members of their family, their tenants, guests, or contract purchasers who reside at their Unit.

Section 3.6 Owner's Rights in Limited Common Elements. Subject to the other provisions of this Declaration each Owner, his or her family and such Owner's Guests, shall have the right to use and enjoy the Limited Common Elements defined herein and/or designated on the Map as appurtenant to the Unit of such Owner. Certain of the Limited Common Elements may be designated on the Map for common use in conjunction with more than one, but fewer than all Units.

Section 3.7 Association Rights. The Blue Mesa Lodge Condominium Association, Inc., its Board and its Managing Agent shall have a perpetual, non-exclusive right and easement to make such use of, and to enter into or upon any of the Common Elements, the Limited Common Elements and the Units under its jurisdiction as may be necessary or appropriate for the performance of the duties and functions which they are obligated or permitted to perform under this Declaration.

Section 3.8 Owner's Easement for Access, Support and Utilities. Each Condominium Unit shall include a perpetual, non-exclusive easement appurtenant to any part of such condominium ownership interest for access between the Unit in question and the public way adjacent to the Community, and over and across the lawns, walks, driveways and all other Common Elements of the Community, an easement for horizontal and lateral support of her or his Unit for utility services, including water, sewer, gas, electricity, telephone, television and all other utility services to such Unit.

Section 3.9 Easements for Encroachments. If any part of the Common Elements encroaches or shall hereafter encroach upon a Unit, 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 another Unit, the Owner of the

encroaching Unit shall and does have an easement for such encroachment and for the maintenance of same. Such encroachments shall not be considered to be encumbrances either against the title to the Common Elements or any Condominium Unit. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of a Building, by error in the Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of any Building within the Community, or any improvement within the Community or any part thereof.

Section 3.10 Easements within the Units for Repair, Maintenance and Emergencies. Some of the Common Elements are or may be located within a Unit or may be conveniently accessible only through a particular Unit. The Blue Mesa Lodge Condominium Association, Inc., Managing Agent and each Owner shall have a perpetual easement, which may be exercised on behalf of any Owner by and through the Blue Mesa Lodge Condominium Association, Inc. or the Managing Agent, as agent for such Owner, for access through any Unit and 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 for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit. Damage to the interior of any 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 Blue Mesa Lodge Condominium Association, Inc., shall be a Common Expense of all the Owners of the Property and the Additional Property, or the Unit Owners within a particular building, as determined by the Board, whose decision shall be binding upon the Owners. If such damage resulted from the acts or omissions of an Owner, the cost of the repair shall be a debt of said Owner. No diminution or abatement of Common Expense assessments shall be claimed or allowed for inconvenience or discomfort arising from the making of repairs or improvements or from action taken to comply with law, ordinance or lawful order of any governmental authority. Restoration of the damaged improvements shall be substantially the same condition as existed prior to the damage.

Section 3.11 Easements Deemed Appurtenant. The easements, servitude, uses and rights herein created shall be appurtenant to, inseparable from and part of each of the Condominium Units. All conveyances of, and other instruments affecting title to a Condominium Unit shall be deemed to grant and reserve the easements, servitude, uses and rights as are herein provided, even though no specific reference to such easements, servitude uses and rights need appear in any such conveyance.

ARTICLE 4 THE ASSOCIATION

Section 4.1 Membership. Every person who is a record Unit Owner of a fee interest in any Unit which is subject to this Declaration shall be a member of the Blue Mesa Lodge Condominium Association, Inc. Membership shall be appurtenant to and may not be separated from ownership of any Unit. Ownership of such Unit shall be the sole qualification for such

membership. Where more than one person holds an interest in any Unit, all such persons shall be members.

Section 4.2 General Purposes and Powers of the Blue Mesa Lodge Condominium Association, Inc. The Blue Mesa Lodge Condominium Association, Inc., through its Executive Board, shall perform functions and manage the Blue Mesa Lodge Condominium Community as provided in this Declaration so as to protect the value and desirability of the Blue Mesa Lodge Condominium Community and the Units and to further the interests of the residents, occupants, tenants and guests of the Blue Mesa Lodge Condominium Community and members of the Blue Mesa Lodge Condominium Association, Inc. Any purchaser of a Unit shall be deemed to have assented to, ratified and approved such designation and management. The Blue Mesa Lodge Condominium Association, Inc. shall have all power necessary or desirable to effectuate such purposes.

Section 4.3 Authority of the Blue Mesa Lodge Condominium Association, Inc. The business affairs of the Blue Mesa Lodge Condominium Community shall be managed by the Blue Mesa Lodge Condominium Association, Inc. The Blue Mesa Lodge Condominium Association, Inc. shall be governed by the Act, this Declaration, the Supplemental Condominium Map, its Articles of Incorporation and Bylaws, and any Rules and Regulations adopted by the Executive Board. The Executive Board may, by written resolution, delegate authority to a manager or managing agent for the Blue Mesa Lodge Condominium Association, Inc., provided no such delegation shall relieve the Board of final responsibility.

Section 4.4 Specific Powers. The Blue Mesa Lodge Condominium Association, Inc. shall have the powers, authority and duties as follows and as necessary and proper to manage the business and affairs of the Blue Mesa Lodge Condominium Community. The Blue Mesa Lodge Condominium Association, Inc. shall have all of the powers, authority and duties permitted or set forth in the Condo Act and applicable portions of the Act.

Section 4.5 Blue Mesa Lodge Condominium Association, Inc. Maintenance. The Executive Board of the Blue Mesa Lodge Condominium Association, Inc. shall determine the specifications, scope, extent, nature and parameters of the Association's maintenance responsibilities. The Blue Mesa Lodge Condominium Association, Inc. shall be responsible for: the improvement, maintenance, repair, upkeep and reconstruction, and replacement of the Common Elements; the improvement, maintenance, repair, upkeep and reconstruction and replacement of Limited Common Elements; windows; for the payment of expenses which may be incurred by virtue of agreement with or requirement of the Town of Telluride Mountain Village or other government authorities and for operational expenses of the Blue Mesa Lodge Condominium Association, Inc. The Blue Mesa Lodge Condominium Association, Inc. may install utility meters on any common utilities, and may bill the expense thereof and the resulting metered services to the appropriate Unit and Unit Owner. Further, the Blue Mesa Lodge Condominium Association may also provide heat and/or laundry services to Unit Owners with the cost allocated to those Owners.

Section 4.6 Allocated Interests. The ownership interest, Common Expense liability and votes in the Blue Mesa Lodge Condominium Association, Inc. allocated to each Unit are set as follows: (a) the percentage of ownership of the Common Elements, based on the square footage of each Unit; (b) the percentage of liability for Common Expenses, based on the allocations currently used, copies of which are available from the Association's managing agent, or, at the option of the Association, and as an alternative allocation, the percentage of liability for Common Expenses may be allocated by the Association based on the square footage of each Unit; (c) the number of votes in the Blue Mesa Lodge Condominium Association, Inc. based on the square footage of each Unit. The Allocated Interests (based on square footage) are set forth in Exhibit A. When and if necessary, the formulas set forth above shall be used to reallocate the Allocated Interests.

Section 4.7 Blue Mesa Lodge Condominium Association, Inc. Agreements. Any agreement for professional management of the Blue Mesa Lodge Condominium Community may not exceed one year. Any such agreement must provide for termination by either party without cause and without payment of a termination fee or penalty upon thirty (30) days' written notice.

Section 4.8 Blue Mesa Lodge Condominium Association, Inc. as Attorney-in-Fact for Owners. The Blue Mesa Lodge Condominium Association, Inc. is hereby irrevocably and perpetually appointed attorney-in-fact for the Owners, and each of them, during such time as each may be Owner, to manage, control and deal with the interest of such Owners in the Real Estate and in the Blue Mesa Lodge Condominium Community, as the case may be, so as to permit the Blue Mesa Lodge Condominium Association, Inc. to fulfill all of its duties and obligations hereunder and to exercise all of its rights hereunder, to deal with the Community, including, without limitation, its destruction or obsolescence as hereinafter provided; and as such attorney-in-fact to grant access of utility easements through any portion of the Common Elements. The acceptance by any person of any interest in any Condominium Unit shall constitute the appointment of said Blue Mesa Lodge Condominium Association, Inc. as attorney-in-fact

Section 4.9 Other Blue Mesa Lodge Condominium Association, Inc. Functions. The Blue Mesa Lodge Condominium Association, Inc. may undertake any activity, function or service for the benefit of or to further the interests of all, some or any of its Owners on a self-supporting, special assessment or common assessment basis. Such activities, functions or services may include, but need not be limited to, the providing of security services, garbage and trash collection services, firewood, general management services, garden landscaping maintenance, maid and cleaning services for individual Units, and window box planting for individual Units.

Section 4.10 Labor and Services. The Blue Mesa Lodge Condominium Association, Inc. (a) may obtain and pay for the services of a Managing Agent to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as said Blue Mesa Lodge Condominium Association, Inc. shall determine to be necessary or desirable for the proper operation of the Community, whether such personnel are furnished or employed directly by the Blue Mesa Lodge Condominium Association, Inc. or by any person with whom or with which it contracts; (b) may obtain and pay for legal and/or accounting services necessary or desirable

in connection with the operation of the Community, or the enforcement of this Declaration; and (c) may arrange with others to furnish lighting, heating, water, snow clearing and/or snow plowing, grading, trash collection, alley and/or driveway maintenance, landscape maintenance, flowerbox plantings, painting and decorating, sewer service, landscaping and groundskeeping, maintenance of drainage facilities and other common services.

Section 4.11 Implied Rights. The Blue Mesa Lodge Condominium Association, Inc. shall have and may exercise any right or privilege given to it expressly by this Declaration, or reasonably to be implied by law, or which may be necessary or desirable to fulfill its duties, obligations, rights or privileges.

Section 4.12 Indemnification. To the full extent permitted by law, each officer and director of the Blue Mesa Lodge Condominium Association, Inc. shall be and are hereby indemnified by the Unit Owners and the Blue Mesa Lodge Condominium Association, Inc. against all expenses and liabilities including attorneys' fees, reasonably incurred by or imposed upon them in any proceeding to which they may be a party, or in which they may become involved, by reason of being or having been an officer or director of the Blue Mesa Lodge Condominium Association, Inc., or any settlements thereof, whether or not they are an officer or director of the Blue Mesa Lodge Condominium Association, Inc. at the time such expenses are incurred; except in such cases wherein such officer or director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification shall apply only when the Executive Board approves such settlement and reimbursement as being in the best interests of the Blue Mesa Lodge Condominium Association, Inc.

Section 4.13 Limitation on Board of Directors' Liability. The Board of Directors or individual members thereof shall not be liable for any failure of any service to be obtained and paid for by the Board of Directors hereunder, or for injury or damage to person or property caused by the elements or by another Owner or person, or resulting from electricity, mud, ice, water or rain which may leak, flow, or fall from outside or from any part of the Community, or from any of its pipes, drains, conduits, ducts, roofing, appliances, equipment, or from any other place. No diminution or abatement of Common Expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements to the Common Elements or from any action taken to comply with any law, ordinance or order of a governmental authority.

Section 4.14 Right to Notice and Comment. Pursuant to C.R.S. § 38-33.3-205(1)(c), or whenever the Governing Documents require that an action be taken after "Notice and Comment," and at any other time the Executive Board determines, the Unit Owners have the right to receive notice of the proposed action and the right to comment orally or in writing. Further, any Unit Owner may give "Notice and Comment" to the Unit Owners of any matter affecting the Blue Mesa Lodge Condominium Community, and Unit Owners shall then have the right to comment, orally or in writing, on the matter. Notice shall be given to each Unit Owner in writing, delivered personally or by mail to all Unit Owners at such address as appears in the records of

the Blue Mesa Lodge Condominium Association, Inc., or notice shall be published in a newsletter or similar publication which is routinely circulated to all Unit Owners. The notice shall be given not less than three (3) days before proposed action is to be taken. The Notice shall invite comment to the Executive Board or a Unit Owner, orally or in writing before the scheduled time of any meeting.

ARTICLE 5 COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 5.1 Creation of Blue Mesa Lodge Condominium Association, Inc. Lien and Personal Obligation to Pay Common Expense Assessments. Each Unit and each Unit Owner, by acceptance of a deed therefor, covenants and agrees to pay to the Blue Mesa Lodge Condominium Association, Inc. annual Common Expense Assessments, insurance assessments (assessed in proportion to risk); utility assessments (assessed in proportion to the Allocated Interest or usage), and such other assessments as imposed by the Blue Mesa Lodge Condominium Association, Inc. Such assessments, including fees, charges, late charges, attorney fees, fines and interest charged by the Blue Mesa Lodge Condominium Association, Inc. shall be the personal obligation of the Unit Owner of such Unit at the time when the assessment or other charges became or fell due. The Blue Mesa Lodge Condominium Association, Inc. annual Common Expense Assessments and such other assessments as imposed by the Blue Mesa Lodge Condominium Association, Inc., including fees, charges, late charges, attorney fees, fines and interest charged by the Blue Mesa Lodge Condominium Association, Inc., shall be a charge on each Unit and shall be a continuing lien upon the Unit against which each such assessment or charge is made. If any assessment is payable in installments, the full amount of the assessment is a lien from the time the first installment becomes due. The personal obligation to pay any past due sums due the Blue Mesa Lodge Condominium Association, Inc. shall not pass to a successor in title unless expressly assumed by them. No Unit Owner may become exempt from liability for payment of the Common Expense Assessments by waiver of the use or enjoyment of the Common Elements or by abandonment of the Unit against which the Common Expense Assessments are made. All assessments shall be payable in the amounts specified in the levy thereof, and no offsets or reduction thereof shall be permitted by any reason including, without limitation, any claim that the Blue Mesa Lodge Condominium Association, Inc. or the Executive Board is not properly exercising its duties and powers under this Declaration.

Section 5.2 Apportionment of Common Expenses. Except as provided in this Declaration, all Common Expense Assessments shall be assessed against all Units in accordance with formula for liability for the Common Expenses as set forth in this Declaration. The Association may adopt and prepare separate budgets or have separate cash requirements to include and differentiate: Common Expenses attributable to the Commercial Condominium Units, Common Expenses attributable to the Residential Condominium Units and Common Expenses attributable to both Commercial and Residential Condominium Units.

Section 5.3 Annual Assessment. The Common Expense Assessment may be made on an annual basis against all Units and shall be based upon the Association's advance budgets or the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments may include common water, common electricity, common sewer, common heating and/or common hot water, until or unless any such utilities are separately metered, and shall then be excluded from the budgets. Upon metering, the metered services shall be billed by the Blue Mesa Lodge Condominium Association, Inc. or billed directly by the service provider to the appropriate Unit and Unit Owner, and those metered services shall continue to be excluded from the budgets to be ratified by the members. Common Expense Assessments shall be due and payable in monthly, quarterly, or annual installments, or in any other manner, as determined by the Executive Board. Common Expense Assessments may begin on the first day of the month in which this Declaration is approved and recorded. The omission or failure of the Executive Board to levy the assessment for any period shall not be deemed a waiver, modification or a release of the Unit Owners from their obligation to pay.

Section 5.4 Effect of Non-Payment of Assessments. Any assessment, charge or fee provided for in this Declaration, or any monthly, quarterly or other installment thereof, which is not fully paid within fifteen (15) days after the due date thereof, as established by the Executive Board, shall bear interest at the rate established by the Executive Board, on a per annum basis from the due date, and the Blue Mesa Lodge Condominium Association, Inc. may assess a reasonable late charge thereon as determined by the Executive Board. Failure to make payment within sixty (60) days of the due date thereof shall cause the total amount of such Unit Owner's Common Expense Assessment for the remainder of that fiscal year to become immediately due and payable at the option of the Board. Further, the Blue Mesa Lodge Condominium Association, Inc. may bring an action at law or in equity, or both, against any Unit Owner personally obligated to pay such overdue assessments, interest, charges or fees, or monthly, quarterly or other installments thereof, and may also proceed to foreclose its lien against such Unit Owner's Unit. An action at law or in equity by the Blue Mesa Lodge Condominium Association, Inc. against a Unit Owner to recover a money judgment for unpaid assessments, interest, charges or fees, or monthly, quarterly or other installments thereof, may be commenced and pursued by the Blue Mesa Lodge Condominium Association, Inc. without foreclosing, or in any way waiving, the Association's lien therefor. Foreclosure or attempted foreclosure by the Blue Mesa Lodge Condominium Association, Inc. of its lien shall not be deemed to estop or otherwise preclude the Blue Mesa Lodge Condominium Association, Inc. from thereafter again foreclosing or attempting to foreclose its lien for any subsequent assessment, interest, charges or fees, or monthly, quarterly or other installments thereof, which are not fully paid when due. The Blue Mesa Lodge Condominium Association, Inc. shall have the power and right to bid on or purchase any Unit at foreclosure or other legal sale, and to acquire and hold, lease, mortgage, vote the Blue Mesa Lodge Condominium Association, Inc. votes appurtenant to ownership thereof, convey or otherwise deal with the same. If a foreclosure action is filed to foreclose any assessment lien, and a Unit Owner abandons or leaves vacant his or her Unit, the Board may take possession and rent said Unit or apply for the appointment of a receiver for the Unit without prior notice to the Unit Owner. The rights of the Blue Mesa Lodge Condominium Association, Inc.

shall be expressly subordinate to the rights of any holder of a first lien Security Interest as set forth in its deed of trust or mortgage (including any assignment of rents), to the extent permitted under the Act.

Section 5.5 Lien Priority. The lien of the Blue Mesa Lodge Condominium Association, Inc. under this Section is prior to all other liens and encumbrances on a Unit except: (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a first lien Security Interest on the Unit (except as allowed by the Act with regard to the limited lien priority allowed to the Association); and (3) liens for real estate taxes and other governmental assessments or charges against the Unit. This Section does not affect the priority of mechanics' or materialmen's liens. The lien of the Blue Mesa Lodge Condominium Association, Inc. under this Article is not subject to the provision of any homestead exemption as allowed under state or federal law. Sale or transfer of any Unit shall not affect the lien for said assessments or charges except that sale or transfer of any Unit pursuant to foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure, or cancellation or forfeiture shall only extinguish the lien of assessment charges as provided by applicable state law. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture shall relieve any Unit from continuing liability for any assessment charges thereafter becoming due, nor from the lien thereof.

Section 5.6 Working Fund. The Blue Mesa Lodge Condominium Association, Inc. may require a Unit Owner of each Unit to make a non-refundable payment to the Blue Mesa Lodge Condominium Association, Inc. in an amount equal to one-fourth (1/4) of the annual Common Expense Assessment against that Unit in effect at the closing thereof, which sum shall be held, without interest, by the Blue Mesa Lodge Condominium Association, Inc. as a working fund. Said working fund shall be collected and transferred to the Blue Mesa Lodge Condominium Association, Inc. at the time of closing. Such payment shall not relieve a Unit Owner from making regular payments of assessments as the same become due.

Section 5.7 Owner's Negligence or Misconduct. In the event that the need for maintenance, repair, or replacement of the Common Elements, or any portion thereof, is caused through or by the negligent or willful act or omission or misconduct of an Owner, or the Owner's agents, employees, guests, customers, or invitees, then the expenses, costs, and fees incurred by the Blue Mesa Lodge Condominium Association, Inc. for such maintenance, repair, or replacement shall be a personal obligation of such Owner, and if not repaid to the Blue Mesa Lodge Condominium Association, Inc. within seven (7) days after the Blue Mesa Lodge Condominium Association, Inc. shall have given notice to the Owner of such expenses, costs, and fees, then the failure to so repay shall be a default by the Owner under the provisions of this Section 5.1, such expenses, costs, and fees shall automatically become a default assessment determined and levied against such Unit, and the Blue Mesa Lodge Condominium Association, Inc. may proceed in accordance with the applicable provisions of Article 5 hereof.

**ARTICLE 6
RESTRICTIONS ON USE, ALIENATION
AND OCCUPANCY**

All Real Estate within the Blue Mesa Lodge Condominium Community shall be held, used and enjoyed subject to the following limitations and restrictions. The strict application of the following limitations and restrictions in any specific case may be modified or waived, in whole or in part, by the Executive Board or by an appropriate committee (subject to review by the Executive Board) if such strict application would be unreasonable or unduly harsh under the circumstances. Any such modification or waiver must be in writing or must be contained in written guidelines or Rules and Regulations.

Section 6.1 Use/Occupancy. No Unit within the Blue Mesa Lodge Condominium Community shall be used for any purpose other than as allowed by the local zoning codes, except as restricted in or by this Declaration. The Blue Mesa Lodge Condominium Association, Inc. shall have the right but not the obligation to purchase and own any Condominium Unit for any use which the Board determines is consistent with the operation of the Community. The Blue Mesa Lodge Condominium Association, Inc. may also maintain one or more offices and/or storage facilities within the Common Elements, under its jurisdiction, compatible with the Community. However, no commercial use may be maintained in any Residential Unit or Parking Unit and no use of any nature (Commercial, Residential or Parking) shall unreasonably interfere with the quiet use and enjoyment of any other Unit located within the Community.

Quiet use and enjoyment shall include, without limitation, the following:

- a. No skis or bicycles shall be taken above the residential lobby, except for the purpose of long-term (seasonal) storage. No ski boots shall be worn above the residential lobby;
- b. Alcohol may be served or sold in a public establishment only if accompanied by a State of Colorado food service license;
- c. Any music played within the Community, including public establishments, shall not disturb residents and occupants;
- d. Use of all or any part of a Commercial Condominium Unit shall not include, without limitation, a saloon, dance hall, night club, or any associated or similar use. The Commercial Condominium may include, however, a restaurant, which establishment may serve alcohol at tables or at a bar, so long as such activity does not disturb residents and occupants of the Blue Mesa Lodge Condominium Community. Live music shall be allowed in such an establishment as long as it is of a benign and inoffensive nature, such as folk, classical, jazz, traditional, or piano music, so long as such music does not disturb residents and occupants of the Blue Mesa Lodge Condominium Community.

Section 6.2 Rental or Overnight Lodging of Residential Units. Rental or overnight lodging of a Residential Unit shall be subject to the terms and conditions of this section and shall be subject to the terms and conditions of a separate "rental pool management agreement." Subject to the foregoing, any Unit Owner shall have the right to lease or allow occupancy of a Unit upon such terms and conditions as the Unit Owner may deem advisable, subject to the following:

a. Short term occupancies and rentals (of less than thirty (30) days) of Residential Units for resort lodging to overnight and short term guests shall be subject to reasonable regulation of the Blue Mesa Lodge Condominium Association. Specifically, the Blue Mesa Lodge Condominium Association shall have the power and authority to require all short term occupancies or rentals to be through such management company or companies as the Association may approve and designate.

b. Any long term lease or rental agreement (of over thirty (30) days) shall be in writing and shall provide that the lease or rental agreement is subject to the terms of this Declaration, the Bylaws of the Blue Mesa Lodge Condominium Association, the Articles of Incorporation and the rules and regulations of the Blue Mesa Lodge Condominium Association.

c. All short and long term occupancies, leases and rental agreements of Residential Units shall be deemed to state that the failure of the tenant, renter or guest to comply with the terms of the Declaration or Bylaws of the Blue Mesa Lodge Condominium Association, Articles of Incorporation or the rules and regulations of the Blue Mesa Lodge Condominium Association shall constitute a default of the occupancy, lease or rental agreement and of this Declaration and such default shall be enforceable by either the Blue Mesa Lodge Condominium Association or the landlord, or by both of them.

d. All occupancies of guests of Residential Units shall be subject to the right of the Blue Mesa Lodge Condominium Association to remove and/or evict the guest for failure to comply with the terms of the Declaration, the Bylaws of the Blue Mesa Lodge Condominium Association, the Articles of Incorporation or the rules and regulations of the Blue Mesa Lodge Condominium Association.

e. The rights of any lessee, sublessee or short term (hotel or transient) use, of a Residential Condominium Unit, or any part thereof shall be subject to, and each such lessee or sublessee (or short term renter) shall be bound by, the covenants, conditions and restrictions set forth in the Declaration, Bylaws and Rules and Regulations, and a default thereunder shall constitute a default under the lease or sublease (or short term rental agreement); provided, however, that the foregoing shall not impose any direct liability on any lessee, sublessee or short term renter of a Residential Unit to pay any Common Expense Assessments on behalf of the Owner of that Residential Unit.

f. Except as restricted in this Declaration, and such Rules and Regulations as the Blue Mesa Lodge Condominium Association may promulgate, the right to lease or allow occupancy of a Unit shall not be restricted.

Section 6.3 Use of Common and Limited Common Elements. The Common Elements may be used only in accordance with the purposes for which intended, without hindering or encroaching upon the lawful rights of others. The Board may adopt rules and regulations governing the use of Common and Limited Common Elements, pursuant to which part of the Common Elements may be allocated to the use of one or more but fewer than all Owners. Each Owner, tenant and/or guest by acceptance of its deed, lease, mortgage or other instrument of conveyance or assignment or occupancy agrees thereby to be bound by this Declaration, the Articles, the Bylaws and by and adopted rules and regulations duly adopted by the Board.

Section 6.4 Units to be Maintained. Unit Owners are responsible for the maintenance, repair and replacement of the properties located within their Unit boundaries. Each Unit at all times shall be kept in a clean, sightly, and wholesome condition. No bicycles, kayaks, sport or recreational equipment, trash, litter, junk boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon or within any Unit so that the same are visible from any neighboring Unit, from any street or from the river trail. The Blue Mesa Lodge Condominium Association, Inc., and its agents, shall have the authority to enter, replace, maintain, repair and clean up Units which do not conform to the provisions of this Section, and to charge and collect from the Unit Owners thereof all reasonable costs related thereto as an assessment hereunder.

Section 6.5 Owners Maintenance Responsibility. For purposes of maintenance, repair, alteration and remodeling, an Owner shall be deemed to own the interior non-supporting walls, the materials (such as, but not limited to, plaster, gypsum dry wall, paneling, wallpaper, paint, wall and floor tile, and flooring) but not surfaces of the perimeter walls, ceilings and floors within the Unit. An Owner shall not be deemed to own lines, pipes, wires, conduits or systems (for brevity, hereafter called "Utilities") running through his Unit which serve one or more other Units, except as co-tenant with the Owners. An Owner's right to maintain, repair, alter and remodel a Unit carries with it the obligation to replace at his sole cost and expense, any finishing or other materials removed with similar or other types or kinds of materials of at least equal quality. An Owner shall maintain and keep in good repair and in a clean, safe, attractive and sightly condition, at his sole cost and expense, the interior of her or his own Unit, including the fixtures, doors and windows thereof and the improvements affixed thereto, fireplaces and fireplace accessories, and such other items and areas as may be required by the By-Laws or by rules and/or regulations promulgated pursuant to this Declaration or the By-Laws. An Owner shall maintain and keep in a neat and clean condition, any balcony or patio area adjoining and/or leading to such Owner's Unit as well as areas which are shown on the Supplemental Condominium Map as Limited Common Elements appurtenant to such Owner's Condominium Unit. All fixtures and equipment installed within a Unit, commencing at the point where the utilities enter the Unit and any fixtures, equipment and utility facilities serving only that one Unit shall be maintained and kept in repair by and at the expense of the Owner thereof. If any Owner fails to carry out or

neglects the responsibilities set forth in this paragraphs, the Blue Mesa Lodge Condominium Association, Inc. may fulfill the same and charge such Owner therefor, with lien rights vesting in the Blue Mesa Lodge Condominium Association, Inc. in the event of nonpayment by the Owner, including payment by that Owner of costs and reasonable attorney's fees, if any. Any expense incurred by an Owner under this paragraph shall be the sole expense of said Owner.

Section 6.6 Restrictions on Animals and Pets. Pets, including cats, dogs, birds, reptiles, or other animals, hereinafter for brevity termed "pet," shall not be kept, maintained or harbored in the Blue Mesa Lodge Condominium Community.

Section 6.7 Nuisances. No nuisance shall be permitted within the Blue Mesa Lodge Condominium Community, nor any use, activity or practice which is the source of unreasonable annoyance or embarrassment to, or which unreasonably offends or disturbs, any Unit Owner or which may unreasonably interfere with the peaceful enjoyment or possession of the proper use of a Unit or Common Element, or any portion of the Blue Mesa Lodge Condominium Community by Unit Owners. Further, no immoral, improper, offensive or unlawful use shall be permitted within the Blue Mesa Lodge Condominium Community or any portion thereof. All valid laws, ordinances and regulations of all governmental bodies having jurisdiction over the Blue Mesa Lodge Condominium Community or a portion thereof shall be observed.

Section 6.8 Vehicular Parking, Storage, and Repairs.

a. Vehicle parking and storage is subject to the Rules and Regulations of the Blue Mesa Lodge Condominium Association, Inc.

b. The following vehicles may not be parked or stored within the Blue Mesa Lodge Condominium Community: oversized vehicles, trailers, camping trailers, boat trailers, hauling trailers, boats or accessories thereto, trucks used for commercial uses (as opposed to trucks used for personal uses), self-contained motorized recreational vehicles, or other oversized types of vehicles or equipment as prohibited by rule or regulation.

c. No activity such as, but not limited to, maintenance, repair, rebuilding, dismantling, repainting, or servicing of or washing of any kind of vehicle, trailer or boat, may be performed or conducted inside of garages.

d. No hazardous activity or condition of any vehicle shall be permitted.

Section 6.9 Parking of Vehicles. Parking of any and all vehicles within the Community shall be subject to the rules and regulations of the Blue Mesa Lodge Condominium Association, Inc., which shall not defeat the rights of the Owners of parking spaces designated as their Parking Units.

Section 6.10 Restriction on Parking and Storage. No part of the Common Elements of the Community, including ramps, streets or drives, parking areas or the garage, unless

specifically designated by the Blue Mesa Lodge Condominium Association, Inc., shall be used as storage, display, or as an accommodation or parking area for any type of house trailer, camping trailer, boat trailer, hauling trailer, running gear, boat, or accessories thereto, truck or recreational vehicle, except as a temporary expedient for loading, delivery or emergency (provided, however, that this restriction shall not restrict trucks or other commercial vehicles within the Community which are necessary for the construction or maintenance of the Community).

Section 6.11 Garage not to be Used as Residence. Areas designated on the Supplemental Condominium Map or Supplements thereto as garage or parking areas, if any, shall not be converted into living, sleeping, or residential space.

Section 6.12 No Annoying Lights, Sounds or Odors. No light shall be emitted from any portion of the Blue Mesa Lodge Condominium Community which is unreasonably bright or causes unreasonable glare, and no sound or odor shall be emitted from any portion of the Blue Mesa Lodge Condominium Community which would reasonably be found by others to be noxious or offensive.

Section 6.13 No Hazardous Activities/Restriction on Outdoor Grills. No activity shall be conducted on any portion of the Blue Mesa Lodge Condominium Community which is or might be unsafe or hazardous to any person or property. Without limiting the generality of the foregoing, no outdoor grills may be used within the Community, no firearms shall be discharged upon any portion of the Blue Mesa Lodge Condominium Community and no open fires shall be lighted or permitted on any portion of the Blue Mesa Lodge Condominium Community. Propane gas tanks are expressly prohibited.

Section 6.14 Compliance with Insurance Requirements. Except as may be approved in writing by the Executive Board, nothing shall be done or kept on the Blue Mesa Lodge Condominium Community which may result in an increase in the rates of insurance or would result in the cancellation of any insurance maintained by the Blue Mesa Lodge Condominium Association, Inc.

Section 6.15 Restriction on Signs and Advertising Devices. No sign, poster, billboard, advertising device or display of any kind shall be erected or maintained anywhere within the Blue Mesa Lodge Condominium Community except such sign or signs as may be approved in writing by the Executive Board.

Section 6.16 No Restrictions on Sale of a Unit. The right of a Unit Owner to sell, transfer or otherwise convey their Unit shall not be subject to any right of first refusal or similar restriction and such Unit may be sold free of any such restrictions.

Section 6.17 No Restrictions on Mortgaging of a Unit. There are no restrictions on the right of the Unit Owners to mortgage or otherwise encumber their Unit. There is no requirement for the use of a specific lending institution or particular type of lender.

Section 6.18 Restrictions on Structural Alterations and Exterior Improvements. No structural alterations to any Unit or any Common or Limited Common Elements shall be done by any Owner, without the prior written approval of the Blue Mesa Lodge Condominium Association, Inc. No Improvement to the exterior of a building which includes a Unit or to the Common Elements or to any landscaping shall be constructed, erected, placed or installed within the Common Interest Community, unless complete plans and specifications thereto shall have been first submitted to and approved in writing by the Executive Board.

Section 6.19 No Violation of Law. No Owner and no Owner's guest shall do anything or keep anything in or on or about the Community which would be immoral, improper, offensive or in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body or authority having jurisdiction over the Community.

Section 6.20 No Noxious, Offensive, Hazardous or Annoying Activities. No noxious or offensive activity shall be carried on upon any part of the Community nor shall anything be done or placed on or in any part of the Community which is or may become a nuisance or cause embarrassment, disturbance or annoyance to others. No activity shall be conducted on any part of the Community and no improvement shall be made or constructed on any part of the Community which would or might be unsafe or hazardous to any person or property. No sound shall be emitted on any part of the Community which is unreasonably loud or annoying. No odor shall be emitted on any part of the Project which is noxious or offensive to others. No light shall be emitted from any part of the Project which is unreasonably bright or causes unreasonable glare. These restrictions and reservations specifically include, without limitation, the Commercial Units.

Section 6.21 No Unsightliness. No unsightliness shall be permitted on or in any part of the Community. Without limiting the generality of the foregoing, nothing shall be hung or placed upon any of the Common Elements, including areas which are Limited Common Elements or in the garage, and nothing shall be placed on or in windows or doors of Units which would or might be unsightly. The judgment of the Board shall be final in determining what is or is not unsightly within the Building subject to its jurisdiction. Objects once determined to be or not to be unsightly may later be reconsidered by the Board provided that at least a year has passed since the Board's previous consideration of the same matter.

Section 6.22 Owner-Caused Damages. If, due to the act or negligence of an Owner or such Owner's guests, agents, tenants or family, or pets, loss or damage shall be caused to any person or property (including the Community or any Condominium Unit therein), such Owner shall be liable and responsible for the same (except to the extent that such damage or loss is covered by insurance obtained by either Blue Mesa Lodge Condominium Association, Inc. and

the carrier of the insurance has waived its rights of subrogation against such Owner and the Board makes such other determinations on the deductible and effect of the claim on the Association's future premiums). The amount of such damage shall constitute an assessment against such Owner, by legal proceedings or otherwise, and such amount shall be secured by a lien on the Unit of such Owner as provided here for assessments and other charges. The Blue Mesa Lodge Condominium Association, Inc., and its insurance carriers shall have the right of indemnification from any Owner for any payment made as a result of such Owner's actions (or inactions).

Section 6.23 Violations. Determination of whether or not a particular activity or occurrence shall constitute a violation of this Article shall be made by the Board having jurisdiction and shall be final.

Section 6.24 Specific Commercial Unit Restrictions. Commercial Condominium Unit usage restrictions shall include, without limitation, the following:

- a. Alcohol may be served or sold in a public establishment only if accompanied by a State of Colorado food service license.
- b. There shall be no live entertainment, including music, past the hour of 10 o'clock p.m. of each day.
- c. Music and public entertainment shall not disturb residents or occupants of the Community.
- d. Usage shall not include, without limitation, a saloon, dance hall, bar, night club, or any associated or similar use.

Section 6.25 Skis, Ski Boots and Bicycles. In order to preserve the property and to maintain peace and quiet within the Community, no ski boots shall be worn above the residential lobby, nor shall skis or bicycles be carried through or above the residential lobby, except that skis or bicycles may be carried to a Unit for the purpose of seasonal storage, only.

Section 6.26 Rules and Regulations. In furtherance of the provisions of this Declaration, and the general plan, Rules and Regulations concerning and governing the Blue Mesa Lodge Condominium Community or any portion thereof may be adopted, amended, or repealed from time to time by the Executive Board, or its successors and assigns. The Executive Board may establish and enforce penalties for the infraction thereof.

Section 6.27 No Violation of Rules. No Owner and no Owner's guests, family, tenants or agents shall violate the rules and regulations adopted from time to time by either Blue Mesa Lodge Condominium Association, Inc. within its jurisdiction, whether relating to the use of Condominium Units, the use of General or Limited Common Elements, or otherwise.

ARTICLE 7 DEVELOPMENT RIGHTS

Section 7.1 Development Rights. The Blue Mesa Lodge Condominium Association, Inc. reserves, for seven (7) years after the recording of this Declaration, subject to extension as the Association may determine, as allowed in the Act, the following Development Rights to the Blue Mesa Lodge Condominium Association and to the Owners, with the approval of the Blue Mesa Lodge Condominium Association: (a) the right to relocate boundaries between adjoining Units, enlarge Units, enlarge the Common Elements, reduce or diminish the size of Units, reduce or diminish the size of areas of the Common Elements, subdivide Units or complete or make improvements, as the same may be indicated on Supplemental Condominium Maps or plats filed of record or filed with the Declaration; (b) the right to create or construct additional Units, Common Elements and Limited Common Elements, to subdivide Units and to convert Units into Common Elements or to convert Common Elements into Units; (c) the right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary; (d) the right to exercise any development rights reserved or allowed in the Act; (e) the right to amend the Declaration in connection with the exercise of any development right; and (f) the right to amend the Supplemental Condominium Maps or plat in connection with the exercise of any development right.

Section 7.2 Additional Reserved Rights. In addition to the rights set forth above, Blue Mesa Lodge Condominium Association, Inc. also reserves the following additional rights: (a) the right to maintain sales offices, management offices and models in Units or on the Common Elements; (b) the right to maintain signs and advertising on the Blue Mesa Lodge Condominium Community to advertise the Blue Mesa Lodge Condominium Community; (c) the right to establish, from time to time, by dedication or otherwise, utility and other easements for purposes including, but not limited to, public access, access paths, walkways, drainage, ducts, shafts, flues, conduit installation areas, and to create other reservations, exceptions and exclusions; (d) the right to enter into, establish, execute, amend, and otherwise deal with contracts and agreements for the use, lease, repair, maintenance or regulations of Common Elements, which may or may not be a part of the Blue Mesa Lodge Condominium Community; (e) Blue Mesa Lodge Condominium Association, Inc. and its assignees expressly reserve the right to perform warranty work, and repairs and construction work, and to store materials in secure areas, in Units and in Common Elements, and the future right to control such work and repairs and the right of access thereto, until completion. All work may be performed without the consent or approval of any Unit Owner or holder of a Security Interest. Blue Mesa Lodge Condominium Association, Inc. and its assignees have such an easement through the Common Elements as may be reasonably necessary for exercising reserved rights in this Declaration. Such easement includes the right to construct underground utility lines, pipes, wires, ducts, conduits, and other facilities across the Real Estate; and (f) the right to exercise any additional reserved right created by any other provision of this Declaration.

Section 7.3 Rights Transferrable/Rights Transferred. Any rights created or reserved under this Article or the Act for the benefit of Blue Mesa Lodge Condominium Association, Inc.

may be transferred to any person by an instrument describing the rights transferred recorded in the real property records of San Miguel County. Such instrument shall be executed by the transferor Blue Mesa Lodge Condominium Association, Inc. and the transferee. The rights transferred may then be exercised in compliance with the requirements of C.R.S. § 38-33.3-210 and C.R.S. § 38-33.3-209(6) without the consent of the Blue Mesa Lodge Condominium Association, Inc., any Unit Owners or any holders of a Security Interest in a Unit. Any rights created or reserved under this Article or the Act for the benefit of Blue Mesa Lodge Condominium Association, Inc. may also be transferred to the Blue Mesa Lodge Condominium Association, Inc. by an instrument describing the rights transferred recorded in the real property records of San Miguel County. Such instrument shall be executed by the transferor Blue Mesa Lodge Condominium Association, Inc. and the Blue Mesa Lodge Condominium Association, Inc. as transferee. The rights transferred may then be exercised by the Blue Mesa Lodge Condominium Association, Inc. in compliance with the requirements of C.R.S. § 38-33.3-210 and C.R.S. § 38-33.3-209(6) with the consent of the appropriate Unit Owner(s) or any holders of a Security Interests on the Unit(s).

Section 7.4 No Further Authorizations Needed. The consent of Unit Owners or holders of Security Interests shall not be required for exercise of any reserved rights, and Blue Mesa Lodge Condominium Association, Inc. or its assignees may proceed without limitation at its sole option. Blue Mesa Lodge Condominium Association, Inc. or its assignees may exercise any reserved rights on all or any portion of the property in whatever order determined. Blue Mesa Lodge Condominium Association, Inc. or its assignees shall not be obligated to exercise any reserved rights.

Section 7.5 Amendment of the Declaration or Supplemental Condominium Map. If Blue Mesa Lodge Condominium Association, Inc. or its assignees elect to exercise any reserved rights, that party shall comply with the Act.

Section 7.6 Interpretation. Recording of amendments to the Declaration and the Supplemental Condominium Map or plat pursuant to reserved rights in this Declaration shall automatically effectuate the terms and provisions of that amendment. Further, such amendment shall automatically (a) vest in each existing Unit Owner the reallocated Allocated Interests appurtenant to their Unit, and (b) vest in each existing Security Interest a perfected security interest in the reallocated Allocated Interests appurtenant to the encumbered Unit. All conveyances of Units after such amendment is recorded shall be effective to transfer rights in all Common Elements, whether or not reference is made to any Amendment of the Declaration Supplemental Condominium Map. Reference to the Declaration and Supplemental Condominium Map in any instrument shall be deemed to include all Amendments to the Declaration, and the Supplemental Condominium Map without specific reference thereto.

Section 7.7 Termination of Reserved Rights. The rights reserved to Blue Mesa Lodge Condominium Association, Inc., for itself, its successors and assigns, shall expire as set forth above or in the Act, unless (i) reinstated or extended by the Blue Mesa Lodge Condominium Association, Inc., subject to whatever terms, conditions, and limitations the Executive Board may

impose on the subsequent exercise by Blue Mesa Lodge Condominium Association, Inc., (ii) extended as allowed by law or, (iii) terminated by written instrument executed by the Blue Mesa Lodge Condominium Association, Inc., recorded in the records of the Clerk and Recorder of San Miguel County, Colorado.

ARTICLE 8 INSURANCE/CONDEMNATION

Section 8.1 Insurance Carried. The Blue Mesa Lodge Condominium Association, Inc. shall obtain and maintain in full force and effect, to the extent reasonably available and at all times, the insurance coverage set forth herein and as set forth in the Act, which insurance coverage shall be provided by financially responsible and able companies duly authorized to do business in the State of Colorado commencing not later than the time of this Declaration is approved and recorded. The Blue Mesa Lodge Condominium Association, Inc. shall maintain, to the extent reasonably available, policies with the following terms or provisions:

a. All policies of insurance shall contain waivers of subrogation and waivers of any defense based on invalidity arising from any acts of a Unit Owner and shall provide that such policies may not be cancelled or modified without at least thirty (30) days' prior written notice to all of the Unit Owners, holders of first lien Security Interests and the Blue Mesa Lodge Condominium Association, Inc.

b. If requested, duplicate originals of all policies and renewals thereof, together with proof of payments of premiums, shall be delivered to all holders of first lien Security Interests at least ten (10) days prior to the expiration of the then-current policies.

c. All liability insurance shall be carried in blanket form, naming the Blue Mesa Lodge Condominium Association, Inc., the Board, the manager or managing agent, if any, the officers of the Blue Mesa Lodge Condominium Association, Inc., holders of first lien Security Interests, their successors and assigns and Unit Owners as insureds.

d. Prior to obtaining any policy of casualty insurance or renewal thereof, pursuant to the provisions hereof, the Board may obtain an appraisal from a duly qualified real estate or insurance appraiser, which appraiser shall reasonably estimate the full replacement value of the Units and the Common Elements, without deduction for depreciation, review any increases in the cost of living, and/or consider other factors, for the purpose of determining the amount of the insurance to be effected pursuant to the provisions hereof. In no event shall any casualty insurance policy contain a co-insurance clause for less than one hundred percent (100%) of the full insurable replacement cost.

e. Unit Owners may carry and are advised to carry other insurance on the Improvements and personal property in their Unit for their benefit and at their expenses, provided that the liability of the carriers issuing insurance obtained by the Blue Mesa

Lodge Condominium Association, Inc. shall not be affected or diminished by reason of any such insurance carried by Unit Owners and provided, further, that the policies of insurance carried by the Blue Mesa Lodge Condominium Association, Inc. shall be primary, even if a Unit Owner has other insurance that covers the same loss or losses as covered by policies of the Blue Mesa Lodge Condominium Association, Inc. In this regard, the Blue Mesa Lodge Condominium Association, Inc. discloses that the Association's insurance coverage, as specified hereunder and under the Act, does not obviate the need for Unit Owners to obtain insurance for their own benefit.

f. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Unit Owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to the Unit Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy, as to the interests of all other insured Unit Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Section 8.2 Hazard Insurance on the Units and Common Elements. The Blue Mesa Lodge Condominium Association, Inc. shall obtain adequate hazard insurance covering loss, damage or destruction by fire or other casualty to the improvements, installed or made to Units and to the Common Elements and the other property of the Blue Mesa Lodge Condominium Association, Inc. Insurance obtained on the Units is not required to include improvements and betterments installed by Unit Owners. If coverage purchased by the Blue Mesa Lodge Condominium Association, Inc. includes improvements and betterments installed by Unit Owners, the cost thereof shall be assessed to each Unit in proportion to risk. All blanket hazard insurance policies shall contain a standard non-contributory mortgage clause in favor of each holder of first lien Security Interests, and their successors and assigns, which shall provide that the loss, if any thereunder, shall be payable to the Blue Mesa Lodge Condominium Association, Inc. for the use and benefit of such holders of first lien Security Interests, and their successors and assigns, as their interests may appear of record in the records of the office of the Clerk and Recorder of San Miguel County. If obtainable, the Blue Mesa Lodge Condominium Association, Inc. shall also obtain the following and any additional endorsements deemed advisable by the Executive Board: (a) an Inflation guard endorsement, (b) a Construction Code endorsement, (c) a demolition cost endorsement, (d) a contingent liability from operation of building laws endorsement, (e) an increased cost of construction endorsement, and/or (f) any special PUD endorsements.

Section 8.3 Liability Insurance. The Blue Mesa Lodge Condominium Association, Inc. shall obtain adequate comprehensive policy of public liability and property damage liability insurance covering all of the Units and the Common Elements, including structural coverage of the Units, in such limits as the Board may determine from time to time, but not in any amount less than One Million Dollars (\$1,000,000.00) per injury, per person, and per occurrence, and in all cases 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 Blue Mesa Lodge Condominium Association, Inc., and activities in connection with the ownership, operation, maintenance and other uses of the Blue Mesa Lodge Condominium Community. All liability insurance shall name the Blue Mesa Lodge Condominium Association, Inc. as the insured. If there are steam or common boilers in operation on the Blue Mesa Lodge Condominium Community, or if the Community has central heating or cooling, there must be in force boiler explosion and machinery coverage insurance providing for not less than One Million Dollars (\$1,000,000.00) per accident, per location.

Section 8.4 Fidelity Insurance. The Blue Mesa Lodge Condominium Association, Inc. shall obtain adequate fidelity coverage or fidelity bonds to protect against dishonest acts on the parts of its officers, directors, trustees and employees and on the part of all others who handle or are responsible for handling the funds of the Blue Mesa Lodge Condominium Association, Inc., including persons who serve the Blue Mesa Lodge Condominium Association, Inc. with or without compensation. The clause "officers, directors, trustees and employees" shall not include any officer, director, agent or employee of any independent, professional manager or managing agent heretofore or hereafter employed by the Blue Mesa Lodge Condominium Association, Inc. The fidelity coverage or bonds should be in an amount sufficient to cover the maximum funds that will be in the control of the Blue Mesa Lodge Condominium Association, Inc., its officers, directors, trustees and employees.

Section 8.5 Worker's Compensation and Employer's Liability Insurance. The Blue Mesa Lodge Condominium Association, Inc. shall obtain worker's compensation and employer's liability insurance and all other similar insurance with respect to its employees in the amounts and forms as may now or hereafter be required by law. The Blue Mesa Lodge Condominium Association, Inc. may require contractors engaged by owners to also have worker's compensation and employer's liability insurance, before work is performed or access to the Blue Mesa Lodge Condominium Community is provided.

Section 8.6 Officers' and Directors' Personal Liability Insurance. The Blue Mesa Lodge Condominium Association, Inc. may obtain officers' and directors' personal liability insurance to protect the officers and directors from personal liability in relation to their duties and responsibilities in acting as officers and directors on behalf of the Blue Mesa Lodge Condominium Association, Inc. Neither the term "officers" nor the term "directors" shall include any officer, director, agent or employee of any professional manager or managing agent heretofore or hereafter employed by the Blue Mesa Lodge Condominium Association, Inc.

Section 8.7 Other Insurance. The Blue Mesa Lodge Condominium Association, Inc. may obtain insurance against such other risks, of similar or dissimilar nature, including flood insurance, as it shall deem appropriate with respect to the Blue Mesa Lodge Condominium Association, Inc. responsibilities and duties.

Section 8.8 Insurance Premium. Except as assessed in proportion to risk insurance premiums for the above provided insurance shall be a Common Expense to be included as a part of the annual assessments levied by the Blue Mesa Lodge Condominium Association, Inc.

Section 8.9 Managing Agent Insurance. The manager or managing agent, if any, shall be adequately insured for the benefit of the Blue Mesa Lodge Condominium Association, Inc. and shall maintain and submit evidence of such coverage to the Blue Mesa Lodge Condominium Association, Inc.

Section 8.10 Waiver of Claims Against Blue Mesa Lodge Condominium Association, Inc. As to all policies of insurance maintained by or for the benefit of the Blue Mesa Lodge Condominium Association, Inc. and Unit Owners, the Blue Mesa Lodge Condominium Association, Inc. and the Unit Owners hereby waive and release all claims against one another, the Board, to the extent of the insurance proceeds available, whether or not the insurance damage or injury is caused by the negligence of or breach of any agreement by and of said persons.

Section 8.11 Annual Insurance Review. The Board shall review the insurance carried by and on behalf of the Blue Mesa Lodge Condominium Association, Inc. at least annually, for the purpose of determining the amount of insurance required.

Section 8.12 Adjustments by the Blue Mesa Lodge Condominium Association, Inc. Any loss covered by an insurance policy described above shall be adjusted by the Blue Mesa Lodge Condominium Association, Inc., and the insurance proceeds for that loss shall be payable to the Blue Mesa Lodge Condominium Association, Inc. and not to any holder of a first lien Security Interest or any Unit Owner. The Blue Mesa Lodge Condominium Association, Inc. may require contribution towards the deductible from the Owner with the loss or from such Owners as the Blue Mesa Lodge Condominium Association, Inc. may reasonably determine. The Blue Mesa Lodge Condominium Association, Inc. shall hold any insurance proceeds in trust for the Blue Mesa Lodge Condominium Association, Inc., Unit Owners and holders of first lien Security Interests as their interests may appear. The proceeds must be distributed first for the repair or restoration of the damaged property, and the Blue Mesa Lodge Condominium Association, Inc., Unit Owners and holders of first lien Security Interest are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the damaged property has been completely repaired or restored.

Section 8.13 Duty to Repair. Any portion of the Blue Mesa Lodge Condominium Community for which insurance is required under this Article which is damaged or destroyed must be repaired or replaced promptly by the Blue Mesa Lodge Condominium Association, Inc. or Unit Owner, at the Unit Owner's option on whether the repair is done by the Blue Mesa Lodge Condominium Association, Inc. or the Unit Owner, except as provided in the Act.

Section 8.14 Condemnation and Hazard Insurance Allocations and Distributions. In the event of a distribution of condemnation proceeds or hazard insurance proceeds to the Unit

Owners, the distribution shall be as the parties with interests and rights are determined or allocated by record and pursuant to the Act.

Section 8.15 Damage, Destruction, Obsolescence - Blue Mesa Lodge Condominium Association, Inc. as Attorney-in-Fact. All of the Owners by being Owners, irrevocably constitute and appoint the Blue Mesa Lodge Condominium Association, Inc. their attorney-in-fact, to act in their name, place and stead for the purpose of dealing with the Community or part thereof, with respect to its destruction, repair or obsolescence as is hereafter provided. As attorney-in-fact, the Blue Mesa Lodge Condominium Association, Inc., 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 any Owner which is necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvement(s) as used in the succeeding subparagraphs (except where otherwise specified) means restoring the improvement(s) to substantially the same condition which existed prior to the damage, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before. Subject to the rights of all first mortgagees in accordance with terms of this Declaration, the proceeds of any insurance collected shall be available to each Blue Mesa Lodge Condominium Association, Inc. for the purpose of repair, restoration or replacement unless the Owners of said Blue Mesa Lodge Condominium Association, Inc. agree not to rebuild in accordance with the provisions set forth hereinafter.

Assessments for Common Expenses shall not be abated during period of insurance adjustment, repair and reconstruction.

a. Casualty-Less than 60% Damage. In the event that damage or destruction amount to not more than sixty percent (60%) of the total replacement cost of the Property (and Additional Property, if any, not including land), due to fire or other casualty event, the insurance proceeds, if sufficient to reconstruct the improvement(s) shall be applied by the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact for the Owners, to such reconstruction and the improvement(s) shall be promptly repaired and reconstructed. The Blue Mesa Lodge Condominium Association, Inc. shall have full authority, right and power, as such attorney-in-fact, to cause the repair and restoration of the improvements.

b. Casualty-Less than 60% Damage-Insufficient Insurance. If the insurance proceeds are insufficient to repair and reconstruct the improvement(s) and if such damage is not more than sixty percent (60%) of the total replacement costs of the Property (and Additional Property, if any, not including land), such damage or destruction shall be promptly repaired and reconstructed by the Blue Mesa Lodge Condominium Association, Inc., 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, shall be made pro-rata according to each Condominium Unit's percentage interest in and to the Common Elements and shall be due and payable within thirty (30) days after written notice thereof is given. Users of

Limited Common Elements shall alone pay the full cost of repairs thereto. The Blue Mesa Lodge Condominium Association, Inc. 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 and such assessment. This assessment shall be a debt of each Owner, be a lien against the Condominium Unit of each Owner and may be enforced and collected as is provided herein. In addition, the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact, shall have the absolute right and power to sell and convey the Condominium Unit of any Owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid, the Blue Mesa Lodge Condominium Association, Inc. shall cause to be recorded in the records of the Clerk and Recorder, San Miguel County, Colorado, a notice that the Condominium Units of the delinquent Owner shall be sold by the association as attorney-in-fact for such Owner. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact, in the following order: (i) For payment of repair/reconstruction assessment; (ii) For payment of all sums owing under or pursuant to any First Mortgage against such Condominium Unit; (iii) For payment of taxes and special assessment liens in favor of any proper assessing entity against such Condominium Unit; (iv) For payment of unpaid Common Expenses to the extent that they are assessed against such Condominium Unit; (v) For payment of junior Mortgages and encumbrances in the order of and to the extent of their lien priority against such Condominium Unit; and (vi) The balance remaining, if any, shall be paid to the Unit Owner.

c. Casualty - More than 60% Damage - Sale. If more than sixty percent (60%) of the total replacement costs of the Property or Additional Property, not including land, is destroyed or damaged, and if the Owners of seventy-five percent (75%) or more of the Common Elements do not voluntarily of the affected parcel, within one hundred (100) days thereafter, make provisions for reconstruction, which plan must have the approval or consent of seventy-five percent (75%) or more of the First Mortgagees of the affected parcel (based upon one vote for each First Mortgage owned) the Blue Mesa Lodge Condominium Association, Inc. shall forthwith record in the records of the San Miguel County Clerk and Recorder, a notice setting forth such fact or facts, and upon recordation of such notice, the affected parcel shall be sold by the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact for all of the Owners therein, free and clear of the provisions contained in the Declaration, the Supplemental Condominium Map, the Articles and By-Laws. The insurance settlement proceeds shall be collected by the Blue Mesa Lodge Condominium Association, Inc. according to each Owner's interest (as such interests appear of record in the office of the Recorder), and such divided proceeds shall be paid into separate fiduciary account, each such account representing one Condominium Unit. Each such account shall be in the name of the Blue Mesa Lodge Condominium Association, Inc. as fiduciary hereunder, and shall be further identified by the Unit's designation and the name of its Owner. Thereafter, each such account shall be supplemented by the apportioned amount of the proceeds derived from the sale of the Property or Additional Property. Such apportionment shall be based upon each Owner's

percentage interest in and to the affected Common Elements. The total funds of each account shall be applied and disbursed, without contribution from one account to another, by the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact, for the same purposes and in the same order as is provided in subparagraphs (b) (i) through (v) of this Paragraph.

d. Casualty - More than 60% Damage - Reconstruction. If more than sixty percent (60%) of the total replacement costs of the Property or Additional Property (not including land) is destroyed or damaged, and if the Owners of seventy-five percent (75%) or more of the Common Elements therein adopt a plan for reconstruction, which plan has the approval of seventy-five percent (75%) of the First Mortgages of the affected parcel (based upon one vote for each First Mortgage owned), then all of the Owners in said parcel shall be bound by the terms and other provisions of such plan. The Blue Mesa Lodge Condominium Association, Inc. shall have the right to use, in accordance with such plan, all proceeds of insurance of such destruction or damages, as well as the proceeds of an assessment, if necessary to be made against all of the said Owners and their Units. Any assessment made in connection with such plan shall be a Common Expense, shall be made pro-rata according to each such Owner's percentage interest in and to the affected Common elements and shall be due and payable as provided by the terms of such plan but not sooner than thirty (30) days after written notice thereof is given. The Blue Mesa Lodge Condominium Association, Inc. shall have full authority, right and power, as attorney-in-fact, for each and all of its Owners, to cause the repair or restoration of the improvements using all of the insurance proceeds for such purpose notwithstanding the failure of an Owner to pay the assessment. The assessment herein provided shall be a debt of each such Owner, a lien against such Owner's Condominium Unit and may be enforced and collected as provided herein. In addition, Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact for such Owner, shall have the absolute right and power to sell and convey the Condominium Unit of any such Owner refusing or failing to pay such assessment within the time provided, and if not so paid, the Blue Mesa Lodge Condominium Association, Inc. shall cause to be recorded in the records of the San Miguel County Clerk and Recorder a notice that the Condominium Unit of the delinquent owner shall be sold by the Blue Mesa Lodge Condominium Association, Inc. The proceeds derived from the sale of such Condominium Unit shall be used and disbursed by the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact for the owner, for the same purposes and in the same order as is provided in subparagraph (b) (i) through (vi) of this Paragraph.

e. Obsolescence - Renovation. The Owners of seventy-five percent (75%) or more of the respective Common Elements may agree that the Real Estate or any Building has become obsolete and may adopt a plan for its renovation and/or reconstruction, provided that such plan shall have the approval of seventy-five percent (75%) of the first mortgagees in the affected parcel of record at the time of the adoption of such plan (based upon one vote for each First Mortgage owned). If such a plan for renovation or reconstruction is adopted, notice of any assessments under such plan shall be payable by

all of said Owners as Common Expenses; provided however, that an Owner not voting in favor of such a plan for renovation or reconstruction may give written notice to the Blue Mesa Lodge Condominium Association, Inc. within thirty (30) days after notice of the adoption of such plan is recorded that such Unit shall be purchased by the Blue Mesa Lodge Condominium Association, Inc. for the fair market value thereof. The Blue Mesa Lodge Condominium Association, Inc. shall then have fifteen (15) days within which to cancel such plan. If such plan is not cancelled within such time period, then the Condominium Unit shall be purchased by the Blue Mesa Lodge Condominium Association, Inc. according to the following procedures: (i) If such Owner and the Blue Mesa Lodge Condominium Association, Inc. can agree on the fair market value thereof then such sale shall be consummated within thirty (30) days following expiration of the fifteen (15) day cancellation deadline; (ii) If the parties are unable to agree as to value, the date when either party notified the other that he or it is unable to agree with the other shall be the "Commencement Date" from which all periods of time hereinafter mentioned in this subparagraph 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 independent appraiser. If either party fails to make such a nomination, the appraiser nominated shall, within five (5) days after default by the other party, appoint and associate with him another independent appraiser. If the two appraisers designated by the parties, or selected as above in the event of the default of one party, are unable to agree, they shall appoint a third independent appraiser. The decision of a majority of the three appraisers, as to the fair market value, shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Blue Mesa Lodge Condominium Association, Inc. and the Owner. The sale shall be consummated within fifteen (15) days thereafter, and the Blue Mesa Lodge Condominium Association, Inc., as attorney-in-fact, shall disburse such proceeds as is provided in subparagraphs (b) (i) through (vi) of this Paragraph or assess all costs pro rata to square footage owned by the remaining Owners.

f. Obsolescence - Sale. The Owners of seventy-five percent (75%) or more of the Common Elements may agree that the Community is obsolete and that the same should be sold. Such plan (agreement) must have the approval of two-thirds (2/3) of the First Mortgages (based upon one vote for each First Mortgage owned) before being implemented. In such instance, the Blue Mesa Lodge Condominium Association shall forthwith record in the records of the Clerk and Recorder, San Miguel County, Colorado, and shall send to each Owner a notice setting forth such fact or facts, and upon the recording of such notice by the Association's President or Secretary, the Real Estate, constituting the entire Community may be sold by the Blue Mesa Lodge Condominium Association, Inc. as attorney-in-fact for all of the Owners, free and clear of the provisions contained in the Declaration, the Supplemental Condominium Map, the Articles and the By-Laws. The sales proceeds less costs of sale shall be apportioned between the Owners on the basis of each Condominium Unit's percentage interest in and to the Common Elements, and such apportioned proceeds shall be paid into separate fiduciary accounts, each such account representing one Condominium Unit. Each such account shall be in the name of the Blue Mesa Lodge Condominium Association, Inc. as fiduciary, and shall

be further identified by the Unit designation and the name of the Owner. From each separate account the Blue Mesa Lodge Condominium Association, Inc. as attorney-in-fact, shall apply 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 (b) (i) through (vi) of this Paragraph.

**ARTICLE 9
SPECIAL RIGHTS OF HOLDERS OF
FIRST LIEN SECURITY INTERESTS**

Section 9.1 General Provisions. The provisions of this Article are for the benefit of holders, insurers, or guarantors of holders of first lien Security Interests recorded within the Blue Mesa Lodge Condominium Community. To the extent applicable, necessary or proper, the provisions of this Article apply to both this Declaration and to the Articles and Bylaws of the Blue Mesa Lodge Condominium Association, Inc. A holder, insurer or guarantor of a first lien Security Interest who has delivered a written request to the Blue Mesa Lodge Condominium Association, Inc. containing its name, address, the legal description and the address of the Unit upon which it holds a Security Interest shall be considered an "Eligible Holder." Eligible insurers and guarantors of a first lien Security Interest shall have the same rights as Eligible Holder.

Section 9.2 Special Rights. Eligible Holders shall be entitled to: (a) timely written notice from the Blue Mesa Lodge Condominium Association, Inc. of any default by a mortgagor of a Unit in the performance of the mortgagor's obligations under this Declaration, the Articles of Incorporation, the Bylaws or the Rules and Regulations, which default is not cured within sixty (60) days after the Blue Mesa Lodge Condominium Association, Inc. learns of such default; (b) examine the books and records of the Blue Mesa Lodge Condominium Association, Inc. during normal business hours; (c) receive a copy of financial statements of the Blue Mesa Lodge Condominium Association, Inc., including any annual audited financial statement; (d) receive written notice of all meetings of the Executive Board or Members of the Blue Mesa Lodge Condominium Association, Inc.; (e) designate a representative to attend any such meetings; (f) written notice of any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Blue Mesa Lodge Condominium Association, Inc.; (g) written notice of abandonment or termination of the Blue Mesa Lodge Condominium Association, Inc. of the plan contemplated under this Declaration; (h) thirty (30) days' written notice prior to the effective date of any proposed, material amendment to this Declaration, the Articles of Incorporation, or the Bylaws; (i) thirty (30) days' written notice prior to the effective date of termination of any agreement for professional management of the Blue Mesa Lodge Condominium Association, Inc. or the Common Elements, when professional management had been required previously under the legal documents for the Blue Mesa Lodge Condominium Community or by an Eligible Holder; and (j) immediate written notice as soon as the Blue Mesa Lodge Condominium Association, Inc. receives notice or otherwise learns of any damage to the Common Elements or to the Unit on which the Eligible Holder holds a Security Interest, if the cost of reconstruction exceeds Twenty Thousand Dollars (\$20,000.00) and as soon as the Blue

Mesa Lodge Condominium Association, Inc. receives notice or otherwise learns of any condemnation or eminent domain proceedings or other proposed acquisition with respect to any portion of the Common Elements or any Units.

Section 9.3 Special Approvals. Unless at least sixty-seven percent (67%) of the Eligible Holders of first lien Security Interests (based on one (1) vote for each mortgage owned) of Units in the Blue Mesa Lodge Condominium Association, Inc. and requisite Unit Owners have given their written approval, neither the Blue Mesa Lodge Condominium Association, Inc. nor any Member shall (a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements or any improvements thereon which are owned, directly or indirectly, by the Blue Mesa Lodge Condominium Association, Inc. (except that the granting of access easements, utility easements, drainage easements and water facilities easements or easements for other public purposes consistent with the intended use of such Real Estate by the Blue Mesa Lodge Condominium Association, Inc. shall not be deemed within the meaning of this provision); (b) change the method of determining the obligations, Assessments or other charges which may be levied against Members or the method of allocating distributions of hazard insurance policy proceeds or condemnation awards; (c) by act or omission change, waive or abandon any scheme or regulation, or enforcement thereof, pertaining to architectural approval of improvement of Units, including the architectural design of the exterior appearance of Units, or the upkeep of the Common Elements; (d) fail to maintain the casualty, fire and extended coverage insurance as elsewhere provided in this Declaration; (e) use hazard insurance proceeds for losses other than the repair, replacement or reconstruction of the improvements which were damaged or destroyed; (f) take action to terminate the legal status of the Blue Mesa Lodge Condominium Community after substantial destruction or condemnation occurs; (g) amend any material provision of this Declaration; and (h) establish self-management by the Blue Mesa Lodge Condominium Association, Inc. when professional management has previously been required by the legal documents for the Blue Mesa Lodge Condominium Community or by an Eligible Holder. An amendment shall not be deemed material if it is for the purpose of correcting technical errors, or for clarification only. If an Eligible Holder of a first lien Security Interest receives written request for approval of the proposed act, omission, change or amendment by certified or registered mail, with a return receipt requested, and does not deliver or post to the requesting party a negative response within thirty (30) days, it shall be deemed to have approved such request.

Section 9.4 Right to Pay Taxes and Insurance Premiums. Any holder of a first lien Security Interest shall be entitled to pay any taxes or other charges which are in default and which may or have become a lien against a Unit or any of the Common Elements and may pay any overdue premiums on hazard insurance policies or secure new hazard insurance coverage for the Common Elements or Units, and the holder of a first lien Security Interest making such payments shall be entitled to immediate reimbursement therefor from the Blue Mesa Lodge Condominium Association, Inc.

ARTICLE 10 GENERAL PROVISIONS

Section 10.1 Compliance with Provisions of this Declaration, Articles of Incorporation, By-Laws of the Blue Mesa Lodge Condominium Association, Inc. Each Owner shall comply strictly with and shall cause of his or her guests, agents and tenants to comply strictly with all of the provisions of this Declaration, the Articles of Incorporation, Bylaws of the Blue Mesa Lodge Condominium Association, Inc., and the decisions, rules, regulations and resolutions of the Blue Mesa Lodge Condominium Association, Inc. adopted pursuant thereto, as the same may be lawfully amended from time to time. The Association's Board may from time to time, adopt, modify and enforce rules and regulations, penalties, fines of up to \$250.00 per violation and/or sanctions to compel compliance with said Articles, Bylaws, Rules, Regulations and the Declaration or to prevent or abate nuisances, disorderly or unsafe conduct in or about the Community. Owners may be held responsible and may be fined or otherwise sanctioned for the misconduct of their families, guests, agents or tenants. Failure to comply with any of such shall be grounds for legal acting to recover fines, penalties and/or other sums due and for damages or injunctive relief of both, along with costs of suit and reasonable attorneys' fees, maintainable by the Managing Agent or Board of Directors in the name of the Blue Mesa Lodge Condominium Association, Inc. for itself and/or on behalf of one or more of the Owners, or, in a proper case, by an aggrieved Owner.

Section 10.2 Enforcement. The Blue Mesa Lodge Condominium Association, Inc. or a Unit Owner (with Owners being subject to arbitration provisions in this Declaration) may enforce the restrictions, conditions, covenants and reservations imposed by the provisions of this Declaration by proceedings at law or in equity against any person or persons, either to recover damages for such violation, including reasonable attorneys' fees incurred in enforcing these covenants, or to restrain such violation or attempted violation. Failure of the Blue Mesa Lodge Condominium Association, Inc. or of any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 10.3 Severability. Each of the provisions of this Declaration shall be deemed independent and severable. If any provision of this Declaration or the application thereof to any person or circumstances is held invalid, the invalidity shall not affect other provisions or applications of this Declaration which can be given effect without the invalid provisions or applications.

Section 10.4 Term of Declaration. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity.

Section 10.5 Amendment of Declaration by Unit Owners. Subject to provisions elsewhere contained in this Declaration requiring the consent of others, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration or in the Supplemental Condominium Map may be amended or repealed at any time and from time to time upon approval of at least eighty percent (80%) of the votes in the Blue Mesa Lodge Condominium

Association, Inc. The amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of San Miguel County, of a certificate, setting forth the amendment in full and certifying that the amendment has been approved as set forth above, and containing the written consent and approval of the Blue Mesa Lodge Condominium Association, Inc.

Section 10.6 Amendment Required by Mortgage Agencies. Prior to seven (7) years after recording of this Declaration, any provision, covenant, condition, restriction or equitable servitude contained in this Declaration which a holder of a first lien Security Interest, or FHA, VA, FHLMC, GNMA, FNMA or any similar entity authorized to insure, guarantee, make or purchase mortgage loans requires to be amended or repealed may be amended or repealed by the Blue Mesa Lodge Condominium Association, Inc. Any such amendment or repeal shall be effective upon the recordation in the office of the Clerk and Recorder of San Miguel County, State of Colorado, of a certificate, setting forth the amendment or repeal in full.

Section 10.7 Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purposes of creating a uniform plan for the development of the Units and of promoting and effectuating the fundamental concepts as set forth in the recitals of this Declaration. This Declaration shall be construed and governed under the laws of the State of Colorado.

Section 10.8 Failure to Insist on Strict Performance No Waiver. The failure of the Blue Mesa Lodge Condominium Association, Inc. to insist, in any one or more instances, upon the strict performances of any of the terms, covenants, conditions or restrictions of this Declaration, or to exercise any right or option herein contained, or to serve any notice or to institute any action shall not be construed as a waiver or a relinquishment, for the future, of such term, covenant, condition or restriction, but such term covenant, condition or restriction shall remain in full force and effect. The receipt and acceptance of the Board of Directors of any assessment from an Owner, with knowledge of the breach of any covenant hereof, shall not be deemed a waiver of such breach, and no waiver by the Board of Directors of any provision hereof shall be deemed to have been made unless expressed in writing and signed by the Board of Directors.

Section 10.9 No Waiver. Failure to enforce any provision of this Declaration shall not operate as a waiver of any such provisions or of any provision of this Declaration.

Section 10.10 Singular Includes the Plural. Unless the context otherwise requires, the singular shall include the plural, and the plural shall include the singular, and each gender referral shall be deemed to include the masculine, feminine and neuter.

Section 10.11 Limitation on Challenges to This Declaration and any Subsequent Amendments of this Declaration. Pursuant to 38-33.3-217(2) of the Act, no action to challenge the validity of this Declaration, and no action to challenge the validity of an amendment to this Declaration adopted by the Foundation pursuant to this Declaration and the Act may be brought more than one (1) year after the amendment is recorded.

Section 10.12 Captions. All captions and titles used in this Declaration are intended solely for convenience of reference and shall not enlarge, limit or otherwise affect that which is set forth in any paragraph, section or article hereof.

IN WITNESS WHEREOF, the undersigned has caused this Declaration to be executed.

Jack Brady

Jack Brady, Agent

STATE OF _____)
DISTRICT OF COLUMBIA) ss.
COUNTY OF _____)

The foregoing was acknowledged before me this 26th day of August, 1997, by Jack Brady, Agent.

Witness my hand and official seal.

My commission expires: July 31, 2002

Karen M. Thompson

Notary Public

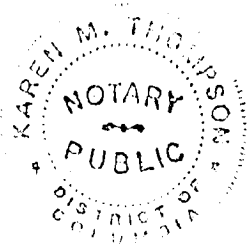


EXHIBIT A

UNITS AND ALLOCATED INTERESTS -
BLUE MESA LODGE CONDOMINIUMS

UNIT NO.	SQUARE FOOTAGE	PERCENTAGE SHARE OF OWNERSHIP IN THE COMMON ELEMENTS	PERCENTAGE SHARE OF COMMON EXPENSE LIABILITIES	VOTES IN THE AFFAIRS OF THE ASSOCIATION
Residential Unit 20	1374.00	0.06205	0.06205	0.06205
Residential Unit 21	1408.00	0.06359	0.06359	0.06359
Residential Unit 22	1265.00	0.05713	0.05713	0.05713
Residential Unit 23	1279.00	0.05776	0.05776	0.05776
Residential Unit 30	982.00	0.04435	0.04435	0.04435
Residential Unit 31	1388.00	0.06269	0.06269	0.06269
Residential Unit 32	1067.00	0.04819	0.04819	0.04819
Residential Unit 33	1210.00	0.05465	0.05465	0.05465
Residential Unit 40	1868.00	0.08436	0.08436	0.08436
Residential Unit 41	1993.00	0.09001	0.09001	0.09001
Sub-total: 10	13834.00	0.62479	0.62479	0.62479
Residential Parking Unit 34	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 35	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 36	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 37	162.00	0.00732	0.00732	0.00732

UNIT NO.	SQUARE FOOTAGE	PERCENTAGE SHARE OF OWNERSHIP IN THE COMMON ELEMENTS	PERCENTAGE SHARE OF COMMON EXPENSE LIABILITIES	VOTES IN THE AFFAIRS OF THE ASSOCIATION
Residential Parking Unit 38	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 39	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 40	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 41	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 42	162.00	0.00732	0.00732	0.00732
Residential Parking Unit 43	162.00	0.00732	0.00732	0.00732
Sub-Totals: 10	1620.00	0.07316	0.07316	0.07316
Residential Sub-Totals: 20	15454.00	0.69795	0.69795	0.69795
Commercial Unit D	3355.00	0.15152	0.15152	0.15152
Commercial Unit E	915.00	0.04132	0.04132	0.04132
Commercial Unit F	900.00	0.04065	0.04065	0.04065
Commercial Unit G	708.00	0.03198	0.03198	0.03198
Sub-Totals: 4	5878.00	0.26547	0.26547	0.26547
Commercial Parking Unit 44	162.00	0.00732	0.00732	0.00732
Commercial Parking Unit 45	162.00	0.00732	0.00732	0.00732
Commercial Parking Unit 46	162.00	0.00732	0.00732	0.00732
Commercial Parking Unit 47	162.00	0.00732	0.00732	0.00732

UNIT NO.	SQUARE FOOTAGE	PERCENTAGE SHARE OF OWNERSHIP IN THE COMMON ELEMENTS	PERCENTAGE SHARE OF COMMON EXPENSE LIABILITIES	VOTES IN THE AFFAIRS OF THE ASSOCIATION
Commercial Parking Unit 48	162.00	0.00732	0.00732	0.00732
Sub-Totals: 5	810.00	0.03658	0.03658	0.03658
Commercial Sub-Totals: 9	6688.00	0.30205	0.30205	0.30205
GRAND TOTALS: 29	22142.00	1.00000	1.00000	1.00000

EXHIBIT B

TELLURIDE ASSOCIATES

The undersigned, being the owner of certain reserved development rights, as referenced in the Original Declaration, does hereby consent to, ratify, confirm, adopt and approve the provisions of the foregoing Declaration, releasing all reserved rights of the undersigned under the Original Declaration and the Supplemental Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Consent this 25th day of August, 1997.

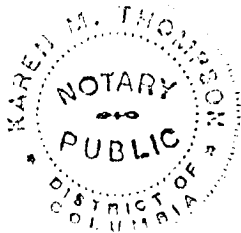
TELLURIDE ASSOCIATES
a Washington DC general partnership

By: Jack Brady
Authorized Agent

STATE OF _____)
DISTRICT OF COLUMBIA) ss.
COUNTY OF _____)

The foregoing was acknowledged before me this 25th day of August, 1997, by Jack Brady, as Authorized Agent of TELLURIDE ASSOCIATES, a Washington DC general partnership.

Witness my hand and official seal.
My commission expires: July 31, 2002



Karen M. Thompson
Notary Public

**EASEMENT AGREEMENT
(Pedestrian, Vehicle and Plaza Use)**

THIS EASEMENT AGREEMENT (“**Agreement**”) is made as of April 5th, 2016 (“**Effective Date**”) by the Blue Mesa Lodge Condominium Association, a Colorado non-profit corporation (“**Grantor**”) and Town of Mountain Village, a Colorado municipal corporation and political subdivision of the State of Colorado (“**Grantee**”). Grantor and Grantee are sometimes each individually referred to as a “**Party**” and sometimes collectively as the “**Parties**”.

RECITALS

A. Grantor is homeowners association for the Blue Mesa Lodge Condominiums according to the Map recorded on September 15, 1994 in Plat Book 1 at page 1740 and the Amended Map recorded October 5, 1998 in Plat Book 1 at page 2423 (“**Grantor Property**”) in the Official Records of the Clerk and Recorder for San Miguel County, Colorado (“**Official Records**”).

B. Grantee is the owner of certain real property known as OSP-3X and the Lost Creek Lane Road right of Way, Mountain Village, CO (“**Grantee Property**”). Grantee provides amenities to the residents, guests and invitees of the Town of Mountain Village.

C. Grantee seeks and Grantor is willing to grant and convey to Grantee a plaza area easement and subsurface snowmelt easement (collectively the “**Easement**”) over a portion of Grantor Property as depicted on Exhibit A attached hereto and incorporated herein (“**Easement Area**”).

D. Grantor agrees to undertake certain improvements to the Easement Area as further described below (the “**Easement Area Improvements**”).

E. Grantee agrees to pay to Grantor a certain amount to be used by Grantor for the Easement Area Improvements.

F. Subject to the terms and conditions set forth herein, the Easement authorizes each of the Authorized Users (defined below) to undertake certain Authorized Uses (defined below).

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual promises and agreements made and entered into by the Parties, the sufficiency of which is hereby acknowledged, the undersigned Parties hereby agree as follows:

1. **Grant of Easement.**

1.1. Subject to the terms and conditions set forth herein, Grantor hereby grants and conveys the Easement, which is deemed to be a perpetual, non-exclusive easement, on, over, and across the Easement Area, to the following persons or entities (“**Authorized Users**”):

1.1.1. Grantee and its designees, including but not limited to, its contractors, agents, consultants, the residents, guests and invitees of the Town of Mountain Village;

1.1.2. Grantor and its designees, including but not limited to its contractors, agents and consultants retained to undertake the Authorized Uses allowed by this Agreement;

1.2. The Easement and the Easement Area may be used by an Authorized User for any or all of the following purposes (“**Authorized Uses**”), which Authorized Uses must conform to the applicable provisions of the Town Approvals and Town Laws:

1.2.1. To enable pedestrian access;

1.2.2. To enable Grantee’s vehicular access to surrounding plaza areas for deliveries via hand trucks and motorized carts, maintenance, snow removal and repair of plaza areas;

1.2.3. To enable use of the plaza portion of the Easement Area for plaza uses as allowed by the Grantee’s Community Development Code; and

1.2.4. To enable the installation, operation and maintenance of a snowmelt system in the Easement Area and a subsurface easement to connect a snowmelt system which may be installed on the Grantor’s Property at a future date.

1.3. The Easement is granted for the limited purposes specified herein and Grantee shall have no right to use the Easement Area for any other or additional use or purpose, except as may be authorized from time to time by other written agreement.

1.4. Each Party hereby represents and warrants to the other Party that the Authorized Uses shall be undertaken in accordance with all governing laws, rules and regulations and this Agreement.

1.5. Grantor expressly reserves unto itself, the right to: (A) use and enjoy the land covered by the Easement Area for the Easement Area Improvements, including access and use by Grantor’s contractors, (B) use and enjoy the land covered by the Easement Area for all lawful purposes that will not unreasonably interfere with the rights and interests hereby granted to Grantee; and (C) grant additional licenses, easements or rights-of-way upon or across the Easement Area to other persons or entities. In exercising these reserved rights, Grantor acknowledged and agrees that such usage or authorizations will not unreasonably interfere with or disturb the rights granted to Grantee hereunder.

1.6. The Easement Area shall consist solely of the surface area from the bottom of the installed pavers to thirty feet above such surface area, and shall not consist of any subsurface areas. Notwithstanding the foregoing, Grantee may elect to, but has no obligation to, install a snowmelt system below the pavers. If Grantee elects to install such snowmelt system, the Easement Area shall extend to the bottom of the installed system rather than the bottom of

the installed pavers. The Grantor shall remain responsible for the maintenance and care of all areas below the Easement Area and Grantee shall have no obligation for any repairs, maintenance or damage to the subsurface below the Easement Area.

2. **Easement Area Improvements.** Grantor anticipates performing various construction projects and improvements to the Grantor Property commencing in April of 2016 (the “**Grantor Improvement Project**”). As part of the Grantee Improvement Project, Grantor agrees to perform the Easement Area Improvements as described herein. The Easement Area Improvements which shall be a project to better waterproof the Easement Area and address drainage in the easement area and shall consist of the following improvements:

- 2.1. Removal of planters located on the west side of the Grantor Property including metal lids down to decking of the plaza.
- 2.2. Removal of all pavers and sand on the eastern side of the Grantor Property in the “Breezeway” between Blue Mesa Lodge Condominium Building and the Blue Mesa Condominiums Building.
- 2.3. Drill three holes through the deck on the western side of the Grantor property and install three new Z-150 Prom deck drains and connect drains to the existing cistern located in the Grantor Property parking garage.
- 2.4. Supply and install 1-1/2 rigid insulation over drainage mats.
- 2.5. Supply and install new geotextile fabric over plaza areas
- 2.6. Supply and install sand base
- 2.7. Re- install existing pulled pavers
- 2.8. Install new pavers to areas where pavers did not exist and where pulled pavers are not usable.
- 2.9. Installation of snowmelt system components consisting of tubing, manifolds and necessary connections in the Easement Area and on the Grantor Property pursuant to a April 5th, 2016 Construction License Agreement (the “Construction License Agreement”).
- 2.10. Installation of 2 penetrations of the existing subsurface concrete wall on the south east boarder of the Easement Area bordering the Grantors Property and the installation of two ten inch conduit sleeves though the concrete wall and sealing of such sleeves for the future connection of snowmelt systems on the Grantor Property (work done on Grantor Property Pursuant to the Construction License Agreement): _____.

2.11. **Timeline for Completion of Easement Area Improvements.** . Grantor shall commence performance of such Easement Area Improvements by no later than April 10th, 2016 (the “**Commencement Date**”), and complete such Easement Area Improvements on or before June 15th, 2016 (the “**Completion Date**”).

2.12. Prior to commencing construction of the Easement Area Improvements, Grantor shall supply Grantee with all plans for the Easement Area Improvements for Grantee’s review and approval. Grantee shall have 10 days to comment and/or approve the plans.

2.13. Grantee may inspect the Easement Area Improvements at any time during the construction of such.

2.14. Grantor shall notify Grantee when it has completed the Easement Area Improvements. Grantor may elect to inspect the completed Easement Area Improvements in a reasonable time following the notice from Grantor. Should Grantee identify any additional measures reasonably required to bring the Easement Area Improvements into conformance with this Agreement, with the approved plans or applicable building codes. Grantee shall notify Grantor of that determination and the specific remediation activities required to be undertaken, which work Grantor shall undertake as soon as practicable at its sole cost and expense. If Grantee has not undertaken any inspection and/or sent notice to Grantor requiring any further remediation within thirty (30) days of the date Grantor has sent notice of completion to Grantee, then Grantee shall be deemed to have accepted and approved the conditions associated with the Grantor Property as a result of the Easement Area Improvements.

2.15. While undertaking the Easement Area Improvements, Grantor agrees to maintain the Easement Area in a clean, safe, and orderly condition, consistent with general construction trade practices in the area. Grantor shall also have and use a construction plan to allow for access to nearby businesses during construction of the Easement Area Improvements and Grantor Improvement Project.

2.16. Grantor shall install appropriate safety measures and devices, including signage, at appropriate locations.

2.17. The Easement Area Improvements will be performed in a professional and workmanlike manner. Grantor shall comply with all applicable federal, state and local laws, rules, regulations and safety standards when undertaking the Easement Area Improvements.

2.18. Grantor is responsible for promptly paying for all of the costs and expenses of designing, constructing, manufacturing, delivering, installing and maintaining the Easement Area Improvements. Grantor shall not allow any liens to be placed on any portion of the Easement Area or Grantor Property and shall indemnify and hold harmless Grantee from and against any claims for payments due in connection with the Easement Area Improvements undertaken by the Grantor, including any liens or other claims, and any legal costs or attorneys fees incurred by Grantor in connection therewith.

3. **Improvement Contribution.** In exchange for the easement rights granted by Grantor to Grantee in this Agreement, Grantee agrees to pay to Grantor a total amount of \$25,599.78 (the “**Improvement Contribution**”). The Improvement Contribution shall be payable in installments as set forth herein. Grantee shall pay to Grantor fifty percent (50%) of the Improvement Contribution on or before the Commencement Date. Grantee shall pay to Grantor the remaining fifty percent (50%) of the Improvement Contribution by the later of the Completion Date (or such later date if Grantor fails to complete the Easement Area Improvements by the Completion Date) or completion of the remediation activities pursuant to Section 2.12, if applicable.

3.1. The Parties understand and agree that Grantee’s payment of the Improvement Contribution is for only a certain portion of the Easement Area Improvements. The Improvement Contribution shall cover the following Easement Area Improvements, which shall be performed by Grantor or its contractor:

- 3.1.1. Removal of planters and metal lid down to decking: \$2,640.00
- 3.1.2. Removal of all pavers and sand base in between buildings: \$660.00
- 3.1.3. Drilling of three holes through the west side deck: \$477.13 (which represents ½ of the total for this work with Grantor responsible for remaining costs)
- 3.1.4. Supply and install three new 2-150 Prom deck drains: \$1,587.58 (which represents ½ of the total for this work with Grantor responsible for remaining costs)
- 3.1.5. Connect drains to existing cistern in parking garage: \$675.54 (which represents ½ of the total for this work with Grantor responsible for remaining cost)
- 3.1.6. Supply and install 1-1/2 rigid insulation over drainage mat: \$1,220.45
- 3.1.7. Supply and install new geotextile fabric: \$1,249.88
- 3.1.8. Supply and install sand base: \$588.50
- 3.1.9. Install existing pavers: \$2,788.50
- 3.1.10. Install new pavers: \$2,200.00
- 3.1.11. Install snowmelt system components in Easement Area and Grantor Property pursuant to the Construction License Agreement, penetrations into Grantor's garage and related components (represents 40% of total cost for this work with Grantor responsible for remaining costs): \$3,964.00.
- 3.1.12. Remove pavers and sand, dig trench line, supply and install new sand base and reinstall brick pavers on Grantor Property: \$4,585.00
- 3.1.13. Regrade subsurface with class six slope to new drain, relocate drain, supply and install ridged insulation and new 4x4 wire mesh (represents 40% of total costs for this work with Grantor responsible for remaining costs): \$2963.20

3.2. Grantee also agrees to waive the building permit fee that would be charged for the Grantor Improvement Project, which includes the Easement Area Improvements which are a benefit to the Grantee and its constituents. The Grantee does not waive any use taxes imposed by Grantee or San Miguel County or any other fees due for the Grantor Improvement Project or the Easement Area Improvements.

4. **Release by Grantor** Except to the extent caused by Grantee's willful misconduct, Grantor, for itself, its successors and assigns, and for each of its specifically designated designees, contractors and consultants who are undertaking some or all of the Authorized Uses at the direction of Grantor, does hereby release Grantee and its elected and appointed officials, employees, agents, representatives, assignees, attorneys, successors and assigns from all claims for damages, including, but not limited to, all mechanics' lien(s), expense, claim, action, liability, loss, damage, or suit (including attorney's fees and costs), and costs of any kind arising out of, or in any way connected with the Authorized Uses and Grantee's prior use of the Easement Area.

5. **Insurance.**

5.1. **Grantor Policy.** Grantor shall keep and maintain, at its sole cost and expense, a commercial general liability insurance coverage for itself and for each of its specifically designated designees, contractors and consultants who are undertaking some or all of the Authorized Uses at the direction of Grantor, containing minimum limits per occurrence of \$1,000,000 and \$2,000,000 in the aggregate (“**Grantor Policy**”). Within seven (7) days of the Effective Date, Grantor shall provide Grantee with certificates of insurance naming Grantee as an additional insured. Grantor shall provide a minimum of thirty (30) days notice to Grantee of any change or cancellation to the Grantor Policy. Said insurance coverage shall commence and continue for the full term of the easement. The amount of the coverage shall be reviewed as necessary and any changes mutually agreed upon, at least every five years, and adjusted to keep pace with the market for similar coverages, but in no event will the amount of the coverage be less than the amount stated above. Grantor shall require any of its contractors performing the Easement Area Improvements to keep and maintain a construction liability insurance policy for itself containing minimum limits per occurrence of \$1,000,000 and \$2,000,000 in the aggregate, and shall name Grantee as an additional insured (the “**Contractor Policies**”). Grantor shall ensure that such Contractor Policies remain in effect for the full period in which such contractor is performing the Easement Area Improvements. Grantor shall review the amount of the coverage periodically, but at least every five years, and ensure such Contractor Policy is adjusted to keep pace with the market for similar coverages.

5.2. **Grantee Policy.** Grantee shall keep and maintain, at its sole cost and expense, a commercial general liability insurance coverage for itself and for each of its specifically designated designees, contractors and consulting who are undertaking some or all of the Authorized Uses, containing minimum limits per occurrence of \$1,000,000 and \$2,000,000 in the aggregate (“**Grantee Policy**”). Within seven (7) days of the Effective Date, Grantee shall provide Grantor with certificates of insurance naming Grantor as an additional insured. Grantee shall provide a minimum of thirty (30) days notice to Grantor of any change or cancellation to the Grantee Policy. Said insurance coverage shall commence and continue for the full term of the easement. The amount of the coverage shall be reviewed as necessary and any changes mutually agreed upon, at least every five years, and adjusted to keep pace with the market for similar coverages, but in no event will the amount of the coverage be less than the amount stated above.

6. **Miscellaneous**

6.1. **Runs with the Land, Successors and Assigns.** The easements, benefits and rights granted and agreed to herein and the burdens, duties and obligations imposed and agreed to herein shall run with the land and shall be a benefit of and burden upon Grantor Property on the one hand, and the Grantee Property on the other hand, as applicable, during the term of this

Agreement. Further, the easements, benefits and rights granted and agreed to herein and the burdens, duties and obligations imposed and agreed to herein shall be binding upon and shall inure to the benefit of, and be a burden upon, the designees, successors, and assigns of all of the Parties to this Agreement during the term of this Agreement.

6.2. **Recording.** This Agreement will be recorded in the Official Records.

6.3. **Performances.** Time is of the essence of this Agreement and for the performance of each of the duties and obligations provided herein.

6.4. **Default. Notice and Cure.** In all instances under this Agreement, at such time as a Party ("**Claiming Party**") claims that any other Party ("**Responding Party**") has violated or breached any of the terms, conditions or provisions of this Agreement ("**Default**"), the Claiming Party shall promptly prepare and deliver to the Responding Party a written notice ("**Notice of Default**") claiming or asserting that the Claiming Party is in default under a term or provision of this Agreement, which notice shall clearly state and describe: (a) each section(s) of the Agreement which the Responding Party has allegedly violated, (b) a summary of the facts and circumstances being relied upon to establish the alleged violation, (c) the specific steps ("**Cure Events**") that must be undertaken to come into compliance with the Governing Documents, and (d) the reasonable timeframe, not less than ten days for a monetary default and not less than thirty days for a non-monetary default (unless emergency circumstances require a shorter response time), within which time the alleged violation should be cured ("**Cure Completion Date**").

6.5. **Governing Law. Remedies. Costs and Expenses.** This Agreement shall be construed under and governed by the laws of Colorado, with jurisdiction and venue restricted to a court of competent jurisdiction in San Miguel County, Colorado. A Party may pursue any and all available remedies under applicable law, including, without limitation, injunctive relief and specific performance. All of the rights and remedies of the Parties under this Agreement shall be cumulative. In any action to enforce or construe the terms of this Agreement, the substantially prevailing Party shall recover all legal and related court costs, including all reasonable attorneys' fees and expert witness fees, costs and expenses.

6.6. **Severability.** Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If any provision of this Agreement shall be found invalid or unenforceable, this shall not affect the validity of the remaining provisions of this Agreement, and the remaining provisions shall remain in full force and effect.

6.7. **Parties' Representations.** In entering into this Agreement, the Parties acknowledge and agree and represent and warrant to each other as follows: (a) that they will perform their duties and obligations in a commercially reasonable and good faith manner and that this commitment is being relied upon by each other Party; (b) that the Party is a duly qualified and existing entity, capable of doing business in the state of Colorado; and (c) that the Party has actual and express authority to execute this Agreement, has taken all actions necessary to obtain such authorization, the Agreement constitutes a binding obligation of the Party and the person signing below is duly authorized and empowered to execute this Agreement.

6.8. **Entire Agreement.** This Agreement contains the entire agreement and understanding of the Parties with respect to the subject matter hereof, and no other representations, promises, agreements or understandings or obligations with respect to the payment of consideration or agreements to undertake other actions regarding the subject matter hereof shall be of any force or effect unless in writing, executed by all Parties hereto and dated after the date hereof.

6.9. **Modifications and Waiver.** No amendment, modification or termination of this Agreement or any portion thereof shall be valid or binding unless it is in writing, dated subsequent to the date hereof and signed by each of the Parties hereto. No waiver of any breach, term or condition of this Agreement by any party shall constitute a subsequent waiver of the same or any other breach, term or condition.

6.10. **Counterparts and Facsimile Copies.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document. Facsimile copies of any party's signature hereon shall be deemed an original for all purposes of this Agreement.

6.11. **Notice.** All notices, demands or writings in this Agreement provided to be given or made or sent that may be given or made or sent by either party hereto to the other, shall be deemed to have been fully given or made or sent when made in writing and delivered either by Fax, Email or United States Mail (certified, return receipt requests and postage pre-paid), and addressed to the party, at the below stated mailing address, email address or fax number. The mailing address, email address or fax number to which any notice, demand or writing may be changed by sending written notice to each party notifying the party of the change.

<p><u>Grantor:</u> Blue Mesa Lodge Condominium Association Attention: Keith Brown P.O. Box 325 Telluride, CO 81435</p>	<p><u>Grantee:</u> Town of Mountain Village Attention: Town Manager 455 Mountain Village Blvd., Suite A Mountain Village, CO 81435</p>
<p><u>With a Copy to:</u></p>	<p><u>With copy to:</u> J. David Reed, Esquire PO Box 196 Montrose, CO 81402</p>

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement, intending it to be effective as of the Effective Date.

GRANTOR:

Blue Mesa Lodge Condominium Association,
a Colorado non-profit corporation

By: Keith Brown Date: April 5, 2018

Printed Name: KEITH BROWN
Title: Treasurer

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

Subscribed to and acknowledged before me this 5th day of April, 2018, by Keith Brown as the Authorized Agent of Blue Mesa Lodge Condominium Association, a Colorado non-profit corporation.

Witness my hand and official seal.

[Signature]
Notary Public

My commission expires: 4/7/2018



GRANTEE:

Town of Mountain Village,
a Colorado municipal corporation and
political subdivision of the State of Colorado

By: [Signature] Date: 4/11/16

Printed Name: Kim Montgomery
Title: Town Manager

STATE OF COLORADO)
) ss.
COUNTY OF SAN MIGUEL)

The foregoing instrument was acknowledged before me this 11 day of ^{April} ~~March~~, 2016 by Kim Montgomery as the Town Manager of the Town of Mountain Village, a Colorado municipal corporation and political subdivision of the State of Colorado.

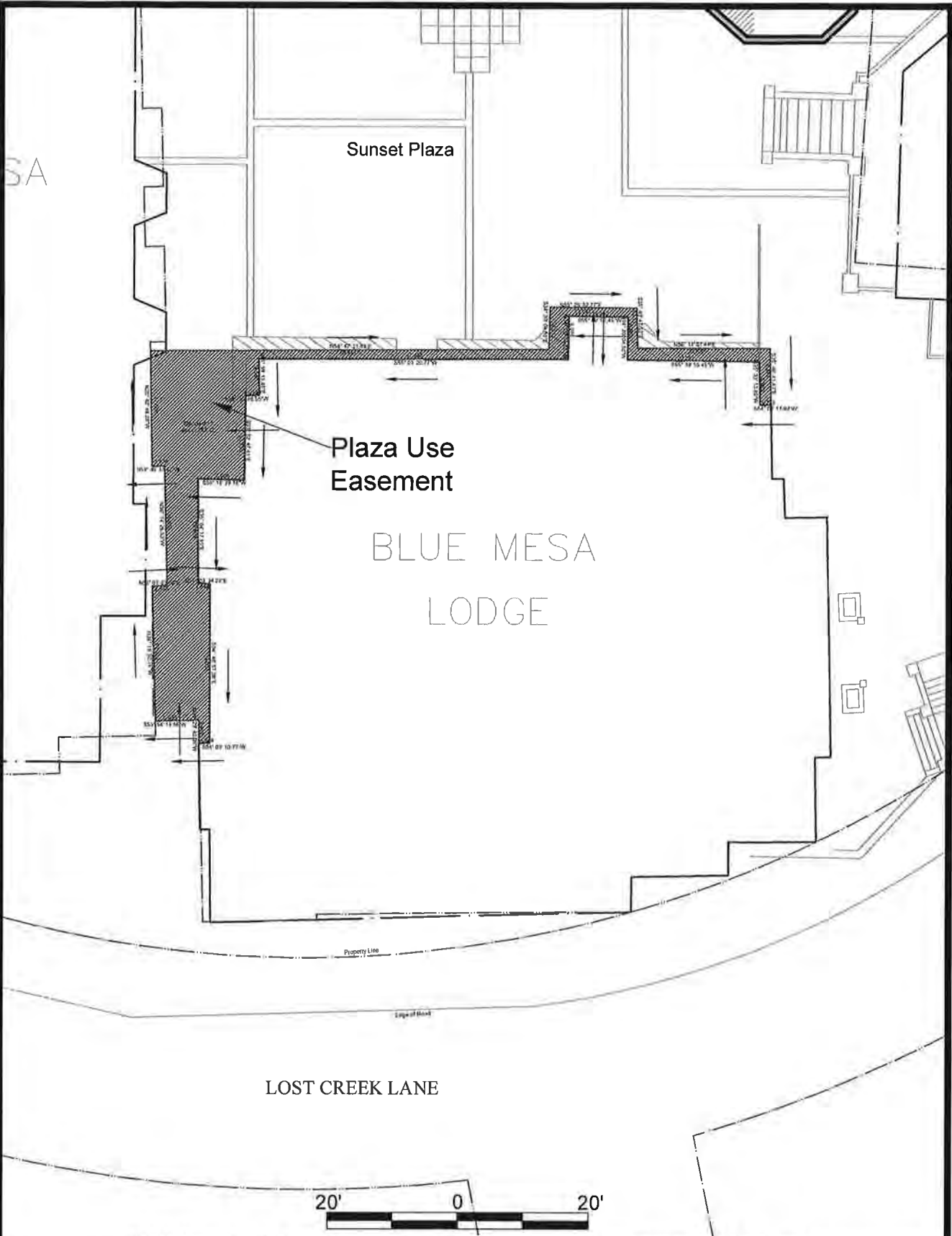
Witness my hand and official seal.

[Signature]
Notary Public

My commission expires: 04/07/18.

**JAMES MAHONEY
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20064005928
MY COMMISSION EXPIRES 04/07/2018**

EXHIBIT "A"
(Depiction of Easement Area)



This information is for reference only. All information shall be surveyed and field verified.

Exhibit A



Town of Mountain Village
 Geographical Information System
 & CAD Design Office
 411 Mountain Village Blvd
 Mountain Village, CO 81435
 ph (970) 356-8291
 Rcheloske@mntnville.org

1" = 20'
 3-15-16

San Miguel County Assessor Data Site

Peggy Kanter, P.O. Box 506, Telluride, CO, 81435

(P) 970 728-3174 | (F) 970 369-1007 | (E) assessor@sanmiguelcountyco.gov

Account Information

Account: R1080095349
Parcel: 477903112017
Owner Name: PEELER JUSTIN AND & PEELER JULIE AS JT
Owner Address: PO BOX 234, CHRISTINE, TX, 78012
Property Address: 117 LOST CREEK LN, MOUNTAIN VILLAGE
Legal: UNITS 22 A B C AND RESIDENTIAL PARKING UNIT 40 BLUE MESA LODGE CONDOS ACC TO 1ST AMENDED PLAT AND DECS OF RECORD LOCATED ON LOT 42B TOWN OF MOUNTAIN VILLAGE PLAT BK 1 PG 2423 SAN MIGUEL COUNTY CO
Tax Area: 108
Subdivision: BLUE MESA LODGE CONDOS

Sales Information

Date	Deed Type	Doc Number	Grantor	Grantee	Amount
12/06/2016	WD	445345	CFT NO 4 LLC A CO LLC	PEELER JUSTIN AND , PEELE...	580,000
12/11/2008	PRD	405205	CONE BARBARA H PSNL REP E...	CONE BARBARA H TTEE OF FR...	
12/11/2008	WD	405208	CONE BARBARA H TTEE OF FR...	CFT#4 LLC A CO LLC	

Taxable Values History

Year	Land Actual	Imp Actual	Total Actual	Land Assessed	Imp Assessed	Total Assessed
2019		828,525	828,525		59,240	59,240
2018		828,525	828,525		59,650	59,650
2017		497,987	497,987		35,860	35,860
2016		540,900	540,900		43,060	43,060
2015		540,900	540,900		43,060	43,060
2013		426,487	426,487		33,950	33,950
2012		632,659	632,659		50,360	50,360
2011		632,659	632,659		50,360	50,360
2010		858,918	858,918		68,370	68,370

San Miguel County Assessor Data Site

Peggy Kanter, P.O. Box 506, Telluride, CO, 81435

(P) 970 728-3174 | (F) 970 369-1007 | (E) assessor@sanmiguelcountyco.gov

Property Details

Model	Attribute Name	Attribute Value
Condo 1		
	IMPNO	1.00
	PROPERTYTYPE	Condo
	BLTASCODE	20
	BLTASDESCRIPT	Condo > 3 Stories
	BLTASSTORIES	4.50
	OCCCODE	112
	OCCDESCRIPTIO	Condominium Unit
	BLTASYEARBUIL	1993
	OCCPERCENT	1.0000
	NBHDEXTENSION	RU
	NBHDCODE	M0007023
	IMPQUALITY	Very Good
	BATHCOUNT	2.50
	BEDROOMCOUNT	3.00
	NETSF	0
	SF	1231
	TOTALFINISHED	1231
LAND ACCOUNT 1		
	ECONAREADESCR	MOUNTAIN VILLAGE
	ECONAREAID	4
	LANDGROSSACRE	0.163000



INVOICE

Land Title Guarantee Company
191 S PINE ST #1C, PO BOX 277
TELLURIDE, CO 81435
970-728-1023

KEITH BROWN REALTY
KEITH BROWN
117 LOST CREEK LANE #41A
PO BOX 325
TELLURIDE, CO 81435

Reference

Your Reference Number: TBD Commitment - 86009401
Our Order Number: TL-4471
Our Customer Number: 59827.1
Invoice Requested by: KEITH BROWN
Invoice (Process) Date: October 09, 2019
Transaction Invoiced By: Web Services
Email Address: system@ltgc.com

Invoice Number: TL-4471

Date: October 09, 2019

Order Number: 86009401

Property Address: 117 LOST CREEK LANE #22 MOUNTAIN VILLAGE 81435

Parties: A Buyer To Be Determined

Invoice Charges

Service:	TBD Commitment	\$252.00
Ref:	86009401	
Addr:	117 LOST CREEK LANE #22	
Party:	JUSTIN PEELER AND JULIE PEELER	
Total Amount Invoiced:		\$252.00
Less Payment(s):		\$0.00
Balance Due:		\$252.00

Due and Payable upon receipt

Please make check payable to Land Title Guarantee Company and send to the address at the top of Page 1.
Please reference **Invoice Number TL-4471** on your Payment



**Land Title Guarantee Company
Customer Distribution**



PREVENT FRAUD - Please remember to call a member of our closing team when initiating a wire transfer or providing wiring instructions.

Order Number: **TLR86009401**

Date: **10/09/2019**

Property Address: **117 LOST CREEK LANE #22, MOUNTAIN VILLAGE, CO 81435**

PLEASE CONTACT YOUR CLOSER OR CLOSER'S ASSISTANT FOR WIRE TRANSFER INSTRUCTIONS

For Closing Assistance

For Title Assistance

Land Title San Miguel County Title
Team
191 S PINE ST #1C
TELLURIDE, CO 81435
(970) 728-8673 (Work)
(877) 261-1730 (Work Fax)
tlresponse@ltgc.com

Seller/Owner

JUSTIN PEELER AND JULIE PEELER
Delivered via: Delivered by Realtor

LAND TITLE GUARANTEE COMPANY
Attention: ROBIN WATKINSON
191 S PINE ST #1C
PO BOX 277
TELLURIDE, CO 81435
(970) 728-1023 (Work)
(970) 728-5079 (Work Fax)
rwatkinson@ltgc.com
Delivered via: Electronic Mail

Agent for Seller

KEITH BROWN REALTY
Attention: KEITH BROWN
117 LOST CREEK LANE #41A
PO BOX 325
TELLURIDE, CO 81435
(970) 417-9513 (Work)
(888) 826-4661 (Work Fax)
keithtelluride@gmail.com
Delivered via: Electronic Mail



Land Title Guarantee Company
Estimate of Title Fees

Order Number: **TLR86009401** Date: **10/09/2019**
Property Address: **117 LOST CREEK LANE #22, MOUNTAIN VILLAGE, CO**
 81435
Parties: **A BUYER TO BE DETERMINED**
 JUSTIN PEELER AND JULIE PEELER

Visit Land Title's Website at www.ltgc.com for directions to any of our offices.

Estimate of Title insurance Fees	
"TBD" Commitment	\$252.00
	Total \$252.00
If Land Title Guarantee Company will be closing this transaction, the fees listed above will be collected at closing.	
Thank you for your order!	

Note: The documents linked in this commitment should be reviewed carefully. These documents, such as covenants conditions and restrictions, may affect the title, ownership and use of the property. You may wish to engage legal assistance in order to fully understand and be aware of the implications of the effect of these documents on your property.

Chain of Title Documents:

[San Miguel county recorded 12/08/2016 under reception no. 445345](#)

Plat Map(s):

[San Miguel county recorded 10/05/1998 at book 1 page 2423](#)

ALTA COMMITMENT
Old Republic National Title Insurance Company
Schedule A

Order Number: TLR86009401

Property Address:

117 LOST CREEK LANE #22, MOUNTAIN VILLAGE, CO 81435

1. Effective Date:

10/04/2019 at 5:00 P.M.

2. Policy to be Issued and Proposed Insured:

"TBD" Commitment

\$0.00

Proposed Insured:

A BUYER TO BE DETERMINED

3. The estate or interest in the land described or referred to in this Commitment and covered herein is:

A Fee Simple

4. Title to the estate or interest covered herein is at the effective date hereof vested in:

JUSTIN PEELER AND JULIE PEELER

5. The Land referred to in this Commitment is described as follows:

CONDOMINIUM UNITS 22-A, 22-B AND 22-C, TOGETHER WITH PARKING UNIT P40, BLUE MESA LODGE CONDOMINIUM, ACCORDING TO THE CONDOMINIUM MAP RECORDED OCTOBER 5, 1998 IN PLAT BOOK 1 AT PAGE [2423](#) AND AS DEFINED AND DESCRIBED IN THE CONDOMINIUM DECLARATION RECORDED AUGUST 29, 1997 IN BOOK 586 AT PAGE [258](#), COUNTY OF SAN MIGUEL, STATE OF COLORADO.

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ALTA COMMITMENT

Old Republic National Title Insurance Company

Schedule B, Part I

(Requirements)

Order Number: TLR86009401

All of the following Requirements must be met:

This proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.

Pay the agreed amount for the estate or interest to be insured.

Pay the premiums, fees, and charges for the Policy to the Company.

Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.

1. RELEASE OF DEED OF TRUST DATED DECEMBER 06, 2016 FROM JUSTIN PEELER AND JULIE PEELER TO THE PUBLIC TRUSTEE OF SAN MIGUEL COUNTY FOR THE USE OF ALPINE BANK TO SECURE THE SUM OF \$430,000.00 RECORDED DECEMBER 08, 2016, UNDER RECEPTION NO. [445346](#).
2. WARRANTY DEED FROM JUSTIN PEELER AND JULIE PEELER TO A BUYER TO BE DETERMINED CONVEYING SUBJECT PROPERTY.
3. EVIDENCE SATISFACTORY TO LAND TITLE GUARANTEE COMPANY THAT THE TERMS, CONDITIONS AND PROVISIONS OF THE TELLURIDE MOUNTAIN VILLAGE OWNERS ASSOCIATION REAL ESTATE TRANSFER ASSESSMENT HAVE HAS BEEN SATISFIED OR THAT AN EXEMPTION HAS BEEN GRANTED.

NOTE: ADDITIONAL REQUIREMENTS OR EXCEPTIONS MAY BE NECESSARY WHEN THE BUYERS NAMES ARE ADDED TO THIS COMMITMENT. COVERAGES AND/OR CHARGES REFLECTED HEREIN, IF ANY, ARE SUBJECT TO CHANGE UPON RECEIPT OF THE CONTRACT TO BUY AND SELL REAL ESTATE AND ANY AMENDMENTS THERETO.

ALTA COMMITMENT
Old Republic National Title Insurance Company
Schedule B, Part II
(Exceptions)

Order Number: TLR86009401

This commitment does not republish any covenants, condition, restriction, or limitation contained in any document referred to in this commitment to the extent that the specific covenant, conditions, restriction, or limitation violates state or federal law based on race, color, religion, sex, sexual orientation, gender identity, handicap, familial status, or national origin.

- 1. Any facts, rights, interests, or claims thereof, not shown by the Public Records but that could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.**
- 2. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.**
- 3. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by the Public Records.**
- 4. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.**
- 5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date of the proposed insured acquires of record for value the estate or interest or mortgage thereon covered by this Commitment.**
- 6. (a) Taxes or assessments that are not shown as existing liens by the records of any taxing authority that levies taxes or assessments on real property or by the Public Records; (b) proceedings by a public agency that may result in taxes or assessments, or notices of such proceedings, whether or not shown by the records of such agency or by the Public Records.**
- 7. (a) Unpatented mining claims; (b) reservations or exceptions in patents or in Acts authorizing the issuance thereof; (c) water rights, claims or title to water.**
- 8. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE FOLLOWING PLATS:
#1 - TELLURIDE MOUNTAIN VILLAGE, FILING 1 RECORDED MARCH 9, 1984 IN PLAT BOOK 1 AT PAGE [476](#), AND TECHNICAL AMENDMENT CONCERNING DENSITY RECORDED FEBRUARY 12, 1990 IN BOOK 462 AT PAGE [759](#),
#2 - PLAT OF THE TOWN OF MOUNTAIN VILLAGE RECORDED OCTOBER 6, 1995 IN PLAT BOOK 1 AT PAGE [1918](#) AND OFFICIAL LAND USE AND DENSITY ALLOCATION FOR ALL LAND WITHIN THE TOWN OF MOUNTAIN VILLAGE, COLORADO RECORDED OCTOBER 6, 1995 IN BOOK 551 AT PAGE [485](#) AND AS AMENDED IN INSTRUMENT RECORDED JUNE 25, 2009 UNDER RECEPTION NO. [407544](#),
#3 - TOWN OF MOUNTAIN VILLAGE RECORDED JULY 24, 1996 IN PLAT BOOK 2 AT PAGE [2073](#), AND
#4 - THE TOWN OF MOUNTAIN VILLAGE OFFICIAL TOWN PLAT RECORDED SEPTEMBER 8, 1997 IN PLAT BOOK 1 AT PAGE [2281](#) AND THE TOWN OF MOUNTAIN VILLAGE OFFICIAL LOT LIST RECORDED SEPTEMBER 8, 1997 IN BOOK 586 AT PAGE [548](#).**

ALTA COMMITMENT

Old Republic National Title Insurance Company

Schedule B, Part II

(Exceptions)

Order Number: TLR86009401

9. RESTRICTIVE COVENANTS, FOR MOUNTAIN VILLAGE, WHICH DO NOT CONTAIN A FORFEITURE OR REVERTER CLAUSE, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW, AS CONTAINED IN INSTRUMENT RECORDED MARCH 9, 1984 IN BOOK 409 AT PAGE [714](#), AS AMENDED OR SUPPLEMENTED. AMENDED AND RESTATED GENERAL DECLARATION RECORDED DECEMBER 11, 2002 UNDER RECEPTION NO. [353668](#). FIRST AMENDMENT TO THE AMENDED AND RESTATED GENERAL DECLARATION RECORDED DECEMBER 9, 2009 UNDER RECEPTION NO. [410160](#). SECOND AMENDMENT TO THE AMENDED AND RESTATED GENERAL DECLARATION RECORDED MARCH 19, 2012 UNDER RECEPTION NO. [422188](#).

NOTICE REGARDING CONTACT INFORMATION AND REAL ESTATE TRANSFER ASSESSMENT RECORDED MAY 25, 2011 UNDER RECEPTION NO. [418209](#).

NOTE: UNDER THE GENERAL NOTES ON THE PLAT OF TELLURIDE MOUNTAIN VILLAGE RECORDED MARCH 9, 1984 IN PLAT BOOK 1 AT PAGE [476](#) THE TELLURIDE COMPANY RESERVES THE RIGHT TO IMPOSE ADDITIONAL RESTRICTIVE COVENANTS ON ALL LOTS IN ADDITION TO THE ONES DESCRIBED HEREIN.

10. TERMS, CONDITIONS AND PROVISIONS OF NOTICE OF WATER AND SEWER TAP FEE PAYMENT RECORDED APRIL 14, 1987 IN BOOK 435 AT PAGE [603](#), TAP FEE AGREEMENT RECORDED MAY 29, 1992 IN BOOK 492 AT PAGE [991](#), AND BY FIRST AMENDMENT TO TAP FEE AGREEMENT RECORDED DECEMBER 18, 1996 IN BOOK 573 AT PAGE [237](#), AND AS ASSIGNED BY TAP FEE ASSIGNMENT AND ASSUMPTION AGREEMENT RECORDED APRIL 29, 1999, UNDER RECEPTION NO. [326037](#).
11. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN UNDERGROUND PARKING AMENDMENT RECORDED JULY 21, 1989 IN BOOK 455 AT PAGE [550](#).
12. TERMS, CONDITIONS AND PROVISIONS OF FACILITIES, WATER RIGHTS AND EASEMENT AGREEMENT RECORDED APRIL 27, 1992 IN BOOK 491 AT PAGE [359](#) AND AS AMENDED IN INSTRUMENT RECORDED NOVEMBER 13, 1992 IN BOOK 501 AT PAGES [433](#) AND [437](#) AND AS AMENDED IN INSTRUMENT RECORDED APRIL 26, 1993 IN BOOK 510 AT PAGE [8](#) AND AS AMENDED IN INSTRUMENT RECORDED APRIL 26, 1993 IN BOOK 510 AT PAGE [11](#) AND AS AMENDED IN INSTRUMENT RECORDED OCTOBER 24, 1996 IN BOOK 569 AT PAGE [668](#).
13. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN AGREEMENT REGARDING GENERAL EASEMENTS RECORDED MAY 21, 1996 IN BOOK 562 AT PAGE [97](#) AND AS AMENDED IN INSTRUMENT RECORDED OCTOBER 24, 1996 IN BOOK 569 AT PAGE [670](#).

ALTA COMMITMENT

Old Republic National Title Insurance Company

Schedule B, Part II

(Exceptions)

Order Number: TLR86009401

14. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE FOLLOWING PLATS AND CONDOMINIUM MAPS:
 - #1 - PLAT OF LOTS 42 & 43 OF TELLURIDE MOUNTAIN VILLAGE FILING 1 RECORDED AUGUST 29, 1986 IN PLAT BOOK 1 AT PAGE [654](#);
 - #2 - REPLAT OF LOTS 42-A AND 42-B TELLURIDE MOUNTAIN VILLAGE RECORDED DECEMBER 19, 1988 IN PLAT BOOK 1 AT PAGE [873](#);
 - #3 - BLUE MESA CONDOMINIUM RECORDED DECEMBER 22, 1989 IN PLAT BOOK 1 AT PAGE [972](#);
 - #4 - SECOND REPLAT OF LOTS 42-A AND 42-B TELLURIDE MOUNTAIN VILLAGE, FILING 1, RECORDED MAY 14, 1990 IN PLAT BOOK 1 AT PAGE [1042](#);
 - #5 - THIRD REPLAT OF LOT 42-B, TELLURIDE MOUNTAIN VILLAGE, FILING 1, RECORDED SEPTEMBER 26, 1990 IN PLAT BOOK 1 AT PAGE [1071](#);
 - #6 - FIRST SUPPLEMENT TO CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM RECORDED SEPTEMBER 15, 1994 IN PLAT BOOK 1 AT PAGE [1740](#); AND
 - #7 - AN AMENDMENT TO THE CONDOMINIUM MAP FOR BLUE MESA CONDOMINIUM, AND THE CONDOMINIUM MAP FOR THE BLUE MESA LODGE RECORDED OCTOBER 5, 1998 IN PLAT BOOK 1 AT PAGE [2423](#).
15. RESERVATION BY THE TELLURIDE COMPANY OF ALL OF THE RIGHTS TO MINERAL AND OIL, GAS OR OTHER HYDROCARBONS LOCATED ON, IN OR UNDER THE REAL PROPERTY, WITHOUT ANY RIGHT OF SURFACE ENTRY FOR EXPLORATION, DEVELOPMENT OR EXTRACTION. THE TELLURIDE COMPANY COVENANTS THAT IT WILL NOT MINE, EXTRACT, EXPLORE FOR OR DEVELOP ANY OF THE MINERALS, OIL, GAS OR OTHER HYDROCARBONS LOCATED ON, IN OR UNDER THE REAL PROPERTY, ALL AS CONTAINED IN INSTRUMENTS RECORDED AUGUST 29, 1986 IN BOOK 429 AT PAGE [689](#) AND DECEMBER 29, 1988 IN BOOK 449 AT PAGE [790](#).
16. TERMS, CONDITIONS, RESERVATIONS AND PROVISIONS AS CONTAINED IN WARRANTY DEEDS RECORDED AUGUST 29, 1986 IN BOOK 429 AT PAGE [689](#) AND DECEMBER 29, 1988 IN BOOK 449 AT PAGE [790](#).
17. RESTRICTIVE COVENANTS, BUT OMITTING ANY COVENANTS OR RESTRICTIONS, IF ANY, BASED UPON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, FAMILIAL STATUS, MARITAL STATUS, DISABILITY, HANDICAP, NATIONAL ORIGIN, ANCESTRY, OR SOURCE OF INCOME, AS SET FORTH IN APPLICABLE STATE OR FEDERAL LAWS, EXCEPT TO THE EXTENT THAT SAID COVENANT OR RESTRICTION IS PERMITTED BY APPLICABLE LAW, AS CONTAINED IN INSTRUMENT RECORDED DECEMBER 22, 1989, IN BOOK 461 AT PAGE [26](#) AND AS AMENDED IN INSTRUMENT RECORDED SEPTEMBER 14, 1994, IN BOOK 534 AT PAGE [954](#) AND AS AMENDED IN INSTRUMENT RECORDED SEPTEMBER 15, 1994, IN BOOK 535 AT PAGE [29](#) AND AS AMENDED IN INSTRUMENT RECORDED AUGUST 29, 1997 IN BOOK 586 AT PAGE [258](#) AND AS AMENDED IN INSTRUMENT RECORDED OCTOBER 5, 1998 UNDER RECEPTION NO. [321574](#) AND AS AMENDED IN INSTRUMENT RECORDED MARCH 17, 2010 UNDER RECEPTION NO. [411615](#).
18. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT DECLARATION RECORDED MARCH 09, 1993 IN BOOK 507 AT PAGE [24](#).
19. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DECLARATION OF ACCESS EASEMENT RECORDED MARCH 09, 1993 IN BOOK 507 AT PAGE [29](#).

ALTA COMMITMENT
Old Republic National Title Insurance Company
Schedule B, Part II
(Exceptions)

Order Number: TLR86009401

20. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DECLARATION OF SUBSURFACE EASEMENT RECORDED MARCH 09, 1993 IN BOOK 507 AT PAGE [35](#).
21. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DECLARATION OF ACCESS EASEMENT RECORDED MARCH 09, 1993 IN BOOK 507 AT PAGE [41](#).
22. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN DECLARATION OF SUBSURFACE EASEMENT RECORDED FEBRUARY 02, 1994 IN BOOK 524 AT PAGE [556](#).
23. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT DECLARATION, ENCROACHMENT EASEMENT RECORDED SEPTEMBER 14, 1994 IN BOOK 534 AT PAGE [998](#).
24. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN OPERATING AGREEMENT FOR MAINTENANCE, REPAIR AND REPLACEMENT OF SUBSURFACE EASEMENTS AND SHARED AREAS RECORDED SEPTEMBER 19, 1997 IN BOOK 587 AT PAGE [135](#).
25. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN RESOLUTION #1997-0923-23 RECORDED OCTOBER 16, 1998 UNDER RECEPTION NO. [321828](#).
26. TERMS, CONDITIONS AND PROVISIONS OF NOTICE FILED BY SAN MIGUEL POWER ASSOCIATION, INC. RECORDED MARCH 18, 1999 UNDER RECEPTION NO. [325020](#).
27. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TOWN OF MOUNTAIN VILLAGE ORDINANCE #2002-07 AMENDING AND RESTATING THE LAND USE ORDINANCE RECORDED DECEMBER 18, 2002 UNDER RECEPTION NO. [353852](#).
28. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TOWN OF MOUNTAIN VILLAGE RESOLUTION #2002-1210-31 AMENDING AND RESTATING THE TOWN OF MOUNTAIN VILLAGE DESIGN REGULATIONS RECORDED DECEMBER 18, 2002 UNDER RECEPTION NO. [353853](#) AND TOWN OF MOUNTAIN VILLAGE RESOLUTION #2005-0308-03 AMENDING AND RESTATING THE TOWN OF MOUNTAIN VILLAGE DESIGN REGULATIONS RECORDED APRIL 15, 2005 UNDER RECEPTION NO. [374090](#).
29. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN EASEMENT AGREEMENT (PEDESTRIAN, VEHICLE AND PLAZA USE) RECORDED APRIL 29, 2016 UNDER RECEPTION NO. [442249](#).



LAND TITLE GUARANTEE COMPANY DISCLOSURE STATEMENTS

Note: Pursuant to CRS 10-11-122, notice is hereby given that:

- (A) The Subject real property may be located in a special taxing district.
- (B) A certificate of taxes due listing each taxing jurisdiction will be obtained from the county treasurer of the county in which the real property is located or that county treasurer's authorized agent unless the proposed insured provides written instructions to the contrary. (for an Owner's Policy of Title Insurance pertaining to a sale of residential real property).
- (C) The information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder, or the County Assessor.

Note: Effective September 1, 1997, CRS 30-10-406 requires that all documents received for recording or filing in the clerk and recorder's office shall contain a top margin of at least one inch and a left, right and bottom margin of at least one half of an inch. The clerk and recorder may refuse to record or file any document that does not conform, except that, the requirement for the top margin shall not apply to documents using forms on which space is provided for recording or filing information at the top margin of the document.

Note: Colorado Division of Insurance Regulations 8-1-2 requires that "Every title entity shall be responsible for all matters which appear of record prior to the time of recording whenever the title entity conducts the closing and is responsible for recording or filing of legal documents resulting from the transaction which was closed". Provided that Land Title Guarantee Company conducts the closing of the insured transaction and is responsible for recording the legal documents from the transaction, exception number 5 will not appear on the Owner's Title Policy and the Lenders Policy when issued.

Note: Affirmative mechanic's lien protection for the Owner may be available (typically by deletion of Exception no. 4 of Schedule B, Section 2 of the Commitment from the Owner's Policy to be issued) upon compliance with the following conditions:

- (A) The land described in Schedule A of this commitment must be a single family residence which includes a condominium or townhouse unit.
- (B) No labor or materials have been furnished by mechanics or material-men for purposes of construction on the land described in Schedule A of this Commitment within the past 6 months.
- (C) The Company must receive an appropriate affidavit indemnifying the Company against un-filed mechanic's and material-men's liens.
- (D) The Company must receive payment of the appropriate premium.
- (E) If there has been construction, improvements or major repairs undertaken on the property to be purchased within six months prior to the Date of Commitment, the requirements to obtain coverage for unrecorded liens will include: disclosure of certain construction information; financial information as to the seller, the builder and or the contractor; payment of the appropriate premium fully executed Indemnity Agreements satisfactory to the company, and, any additional requirements as may be necessary after an examination of the aforesaid information by the Company.

No coverage will be given under any circumstances for labor or material for which the insured has contracted for or agreed to pay.

Note: Pursuant to CRS 10-11-123, notice is hereby given:

This notice applies to owner's policy commitments disclosing that a mineral estate has been severed from the surface estate, in Schedule B-2.

- (A) That there is recorded evidence that a mineral estate has been severed, leased, or otherwise conveyed from the surface estate and that there is substantial likelihood that a third party holds some or all interest in oil, gas, other minerals, or geothermal energy in the property; and
- (B) That such mineral estate may include the right to enter and use the property without the surface owner's permission.

Note: Pursuant to CRS 10-1-128(6)(a), It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Note: Pursuant to Colorado Division of Insurance Regulations 8-1-3, notice is hereby given of the availability of a closing protection letter for the lender, purchaser, lessee or seller in connection with this transaction.



**JOINT NOTICE OF PRIVACY POLICY OF
LAND TITLE GUARANTEE COMPANY,
LAND TITLE GUARANTEE COMPANY OF SUMMIT COUNTY
LAND TITLE INSURANCE CORPORATION AND
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY**

This Statement is provided to you as a customer of Land Title Guarantee Company as agent for Land Title Insurance Corporation and Old Republic National Title Insurance Company.

We want you to know that we recognize and respect your privacy expectations and the requirements of federal and state privacy laws. Information security is one of our highest priorities. We recognize that maintaining your trust and confidence is the bedrock of our business. We maintain and regularly review internal and external safeguards against unauthorized access to your non-public personal information ("Personal Information").

In the course of our business, we may collect Personal Information about you from:

- applications or other forms we receive from you, including communications sent through TMX, our web-based transaction management system;
 - your transactions with, or from the services being performed by us, our affiliates, or others;
 - a consumer reporting agency, if such information is provided to us in connection with your transaction;
- and
- The public records maintained by governmental entities that we obtain either directly from those entities, or from our affiliates and non-affiliates.

Our policies regarding the protection of the confidentiality and security of your Personal Information are as follows:

- We restrict access to all Personal Information about you to those employees who need to know that information in order to provide products and services to you.
- We may share your Personal Information with affiliated contractors or service providers who provide services in the course of our business, but only to the extent necessary for these providers to perform their services and to provide these services to you as may be required by your transaction.
- We maintain physical, electronic and procedural safeguards that comply with federal standards to protect your Personal Information from unauthorized access or intrusion.
- Employees who violate our strict policies and procedures regarding privacy are subject to disciplinary action.
- We regularly assess security standards and procedures to protect against unauthorized access to Personal Information.

WE DO NOT DISCLOSE ANY PERSONAL INFORMATION ABOUT YOU WITH ANYONE FOR ANY PURPOSE THAT IS NOT STATED ABOVE OR PERMITTED BY LAW.

Consistent with applicable privacy laws, there are some situations in which Personal Information may be disclosed. We may disclose your Personal Information when you direct or give us permission; when we are required by law to do so, for example, if we are served a subpoena; or when we suspect fraudulent or criminal activities. We also may disclose your Personal Information when otherwise permitted by applicable privacy laws such as, for example, when disclosure is needed to enforce our rights arising out of any agreement, transaction or relationship with you.

Our policy regarding dispute resolution is as follows: Any controversy or claim arising out of or relating to our privacy policy, or the breach thereof, shall be settled by arbitration in accordance with the rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.



Commitment For Title Insurance

Issued by Old Republic National Title Insurance Corporation

NOTICE

IMPORTANT—READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON. .

COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, Old Republic National Title Insurance Company, a Minnesota corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured. If all of the Schedule B, Part I—Requirements have not been met within 6 months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

COMMITMENT CONDITIONS

1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements; and
- (f) Schedule B, Part II—Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - i. comply with the Schedule B, Part I—Requirements;
 - ii. eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - iii. acquire the Title or create the Mortgage covered by this Commitment.
- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.

- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

9. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

IN WITNESS WHEREOF, Land Title Insurance Corporation has caused its corporate name and seal to be affixed by its duly authorized officers on the date shown in Schedule A to be valid when countersigned by a validating officer or other authorized signatory.


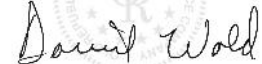
Issued by:
Land Title Guarantee Company
3033 East First Avenue Suite 600
Denver, Colorado 80206
303-321-1880



Senior Vice President



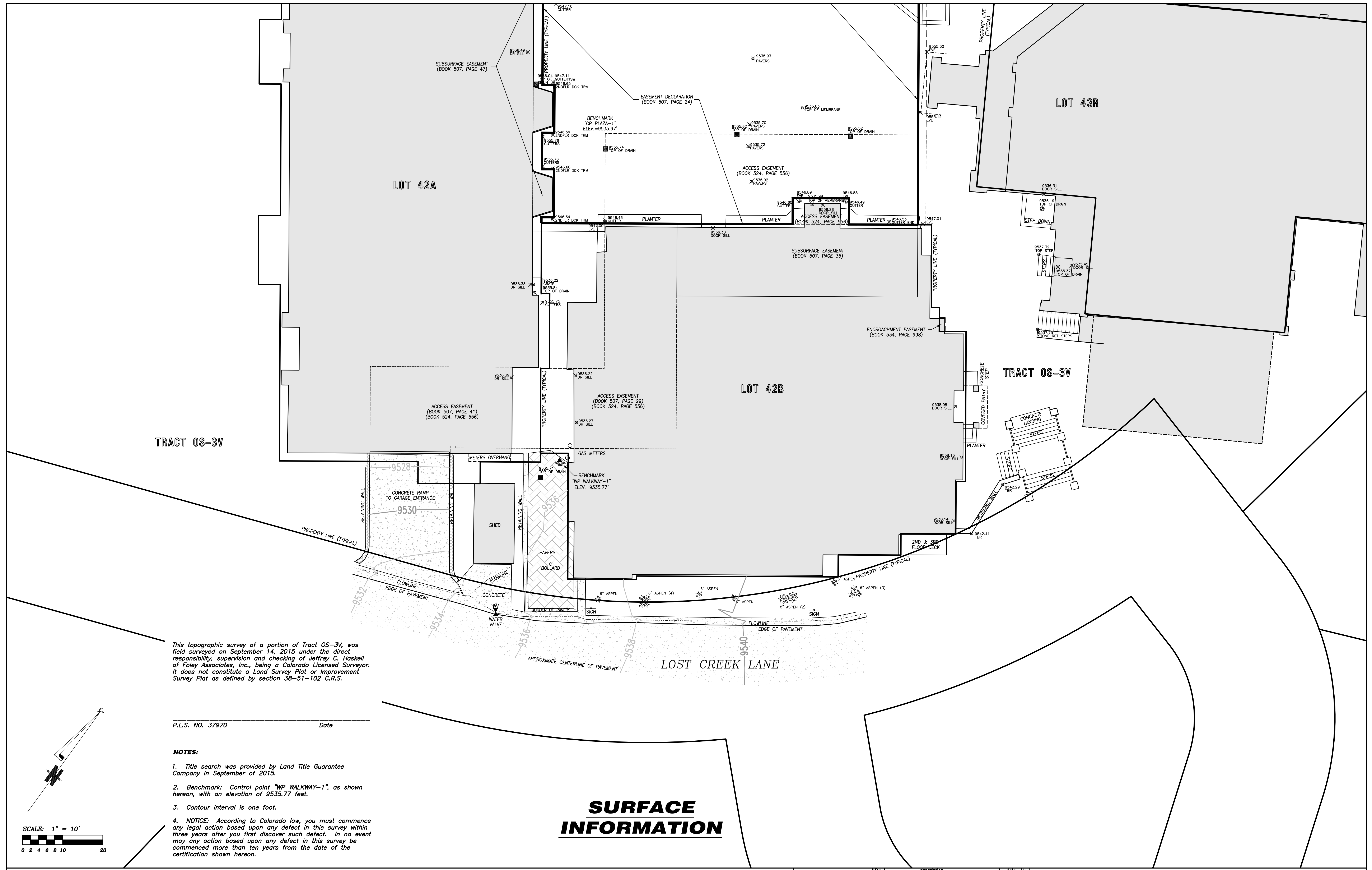
OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By  President
Attest  Secretary

This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Land Title Insurance Corporation. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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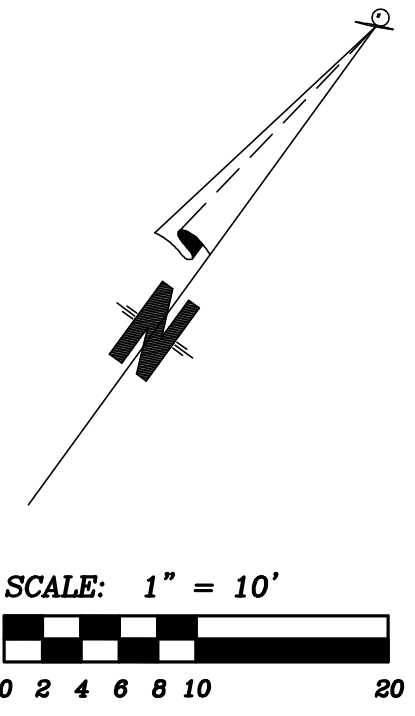
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This topographic survey of a portion of Tract OS-3V, was field surveyed on September 14, 2015 under the direct responsibility, supervision and checking of Jeffrey C. Haskell of Foley Associates, Inc., being a Colorado Licensed Surveyor. It does not constitute a Land Survey Plat or Improvement Survey Plat as defined by section 38-51-102 C.R.S.

P.L.S. NO. 37970 _____ Date _____

- NOTES:**
- Title search was provided by Land Title Guarantee Company in September of 2015.
 - Benchmark: Control point "WP WALKWAY-1", as shown hereon, with an elevation of 9535.77 feet.
 - Contour interval is one foot.
 - NOTICE:** According to Colorado law, you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.



SURFACE INFORMATION

Existing Conditions for The Gondola Plaza Parking Condominium

Project Mgr:	JH	Rev.	description	date	by
Technician:	MC				
Checked by:	KV				
Start date:	09/14/2015				



970-728-6153 970-728-6050 fax
 P.O. BOX 1385
 125 W. PACIFIC, SUITE B-1
 TELLURIDE, COLORADO 81435