

Exhibit 1a

**CONDOMINIUM DECLARATION
OF
MEADOWLARK AT MOUNTAIN VILLAGE COMMUNITY**

Name of Common Interest Community: **MEADOWLARK AT MOUNTAIN VILLAGE COMMUNITY**
Type of Common Interest Community: **CONDOMINIUM**
Name of the Association: **MEADOWLARK OWNERS' ASSOCIATION, INC.**
Declarant: **MEADOWLARK 644, LLC**

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EXHIBIT LIST

Exhibit A	Legal Description of the Property
Exhibit B	General Expense Sharing Ratios and Voting Interests
Exhibit C	Recorded Easements affecting the Property
Exhibit D	Allocation of Storage Areas
Exhibit E	Allocation of Parking Spaces

**CONDOMINIUM DECLARATION
OF
MEADOWLARK AT MOUNTAIN VILLAGE COMMUNITY**

This CONDOMINIUM DECLARATION OF MEADOWLARK AT MOUNTAIN VILLAGE COMMUNITY (this “**Declaration**”) is made as of _____, 2024, by MEADOWLARK 644, LLC, a Colorado limited liability company (the “**Declarant**”).

RECITALS

A. Declarant is record owner of that certain real property located in the Town of Mountain Village and County of San Miguel, Colorado, more particularly described on the attached Exhibit A and incorporated herein by reference (the “**Property**”).

B. Declarant desires to create a condominium common interest community on the Property pursuant to the Act (defined below), as such Act may be amended from time to time (the “**Community**”).

C. By this Declaration, a plan is established for the separate fee simple ownership of the Units by the Owners thereof and ownership of certain Common Elements (as all of those capitalized terms are defined below) as tenants-in-common.

D. The name of the Community is “Meadowlark at Mountain Village Community.”

**ARTICLE 1
DECLARATION AND SUBMISSION**

Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following covenants, restrictions and easements, all of which shall run with the land and be binding upon all parties and heirs, successors and assigns of parties having any right, title or interest in all or any part of the Property.

**ARTICLE 2
DEFINITIONS**

The following words, when used in this Declaration or any Supplemental Declaration, shall have the following meanings:

2.1 “**Act**” shall mean the Colorado Common Interest Ownership Act as set forth in Colorado Revised Statutes §38-33.3-101, *et seq.*, as the same may be amended from time to time. In the event that the Act is repealed, the Act as it exists on the date this Declaration is recorded shall remain applicable.

2.2 “**Agency**” shall mean any agency or corporation that purchases, insures or guarantees residential mortgages, including the United States Housing and Urban Development (HUD), the United States Department of Veterans Affairs (VA), Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC) and the Colorado Housing and Finance Authority.

2.3 “**Allocated Interests**” shall mean with respect to any Unit, the interest in all Limited Common Elements allocated for the exclusive use and benefit of the Unit, the undivided interest in all other Limited Common Elements serving the Unit as allocated in this Declaration, the undivided interest in all General Common Elements as allocated in this Declaration, and the Voting Interest allocated to the Unit. All undivided interests in Common Elements are allocated according to the Expense Sharing Ratios applicable to the relevant Common Element among Owners pursuant to this Declaration and are subject to change as provided in this Declaration.

2.4 “**Articles**” shall mean the Articles of Incorporation for the Association on file with the Colorado Secretary of State, and any amendments that may be made to those Articles from time to time.

2.5 “**Assessments**” shall mean the General Assessments, Special Assessments and Default Assessments levied pursuant to Article 9 below.

2.6 “**Association**” shall mean Meadowlark Owners’ Association, Inc., a Colorado nonprofit corporation, and its successors and assigns. The Association shall act by and through its Board and officers unless the Articles, Bylaws or this Declaration specifically require otherwise.

2.7 “**Association Documents**” shall mean this Declaration, the Articles, the Bylaws, the Map, the Design Guidelines, if any, the Rules, the Policies, and any other procedures, rules, regulations or policies adopted by the Association.

2.8 “**Association-Insured Property**” is defined in Section 14.2.

2.9 “**Board**” or “**Board of Directors**” shall mean the Board of Directors of the Association.

2.10 “**Budget**” shall mean an annual written itemized estimate of the expenses to be incurred by the Association in performing its functions pursuant to this Declaration, prepared in accordance with Section 9.4.

2.11 “**Building**” or “**Buildings**” shall mean and refer to each building located on and constituting a part of the Project. There are four Buildings located within the Project, which are designated as follows: Building A, Building B, Building C, and Building D.

2.12 “**Bylaws**” shall mean the Bylaws adopted by the Association, as the same may be amended from time to time.

2.13 “**Clerk and Recorder**” shall mean the office of the Clerk and Recorder in San Miguel County, Colorado.

2.14 “**Common Elements**” shall mean both General Common Elements and Limited Common Elements and shall consist of all portions of the Project except the Units (which exception includes Improvements within the Units, unless such Improvements are specifically designated in this Declaration or on the Map as a Common Element).

2.15 “**Common Expenses**” shall mean expenditures made or liabilities incurred by or on behalf of the Association, together with allocations to reserves, including: (a) all expenses expressly

declared to be Common Expenses by this Declaration or the Bylaws; (b) all other expenses of owning, administering, operating, servicing, conserving, managing, maintaining, repairing or replacing the Common Elements; (c) all expenses incurred for the benefit of more than one Owner; (d) insurance premiums and deductibles for the insurance carried pursuant to Article 10; and (e) all expenses lawfully determined to be Common Expenses by the Board. The Common Expenses shall consist of General Common Expenses and various types of Limited Common Expenses.

2.16 “**Contractor**” means that company, or those companies, engaged to construct the Buildings and the Units within the Building as general contractor or construction manager.

2.17 “**County**” shall mean San Miguel County, Colorado.

2.18 “**Declarant**” shall mean MEADOWLARK 644, LLC, a Colorado limited liability company. References in this Declaration to “Declarant” shall mean and include all Successor Declarant(s) to the extent of the rights of Declarant duly assigned and conveyed by Declarant (or its Successor Declarant) to each such Successor Declarant.

2.19 “**Declaration**” shall mean this Declaration and the Map, and amendments and supplements to the foregoing.

2.20 “**Development Rights**” shall mean and refer to those rights defined as “Development Rights” in Section 103(14) of the Act that are reserved for the benefit of the Declarant in accordance with the specific terms and conditions of this Declaration, including the following rights:

(a) to create Units or Common Elements within the Project in accordance with Sections 16.1 and 16.2 below; and

(b) to subdivide Units or convert Units into Common Elements in accordance with Section 16.1 below.

2.21 “**Design Guidelines**” is defined in Section 17.3.1 below.

2.22 “**Environmental Law**” shall mean any federal, state or local law, whether common law, court or administrative decision, statute, rule, regulation, ordinance, court order or decree, or administrative order or any administrative policy or guideline concerning action levels of a governmental authority (federal, state or local) relating to the environment, public health, occupational safety, industrial hygiene, any Hazardous Materials (including the disposal, generation, manufacture, presence, processing, production, release, storage, transportation, treatment, or use thereof), or the environmental conditions on, under, or about the Property, as amended and as in effect from time to time, including the following statutes and all regulations thereunder as amended and in effect from time to time: the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. §§ 9601, *et seq.*; the Superfund Amendments and Reauthorization Act of 1986, Title III, 42 U.S.C. §§ 11001, *et seq.*; the Clean Air Act, 42 U.S.C. §§ 7401, *et seq.*; the Safe Drinking Water Act, 42 U.S.C. §§ 3251 *et seq.*, the Hazardous Materials Transportation Act, as amended, 49 U.S.C. §§ 1801, *et seq.*, the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §§ 6901, *et seq.*; the Federal Water Pollution Control Act, as amended, 33 U.S.C. §§ 1251, *et seq.*; the Toxic Substances Control Act of 1976, 15 U.S.C. §§ 2601, *et seq.*; the Occupational Safety and

Health Act, 29 U.S.C. §§ 651, *et. seq.*; and any successor statutes to, and regulations regarding, the foregoing.

2.23 “**Estoppel Certificate**” is defined in Section 24.3 below.

2.24 “**Expense Sharing Ratios**” shall mean the General Expense Sharing Ratio as set forth in Exhibit B and any Limited Expense Sharing Ratios. The formulas for determining the respective Expense Sharing Ratios are set forth in Section 9.2 below.

2.25 “**First Mortgage**” shall mean a Mortgage the priority of which is not subject to any monetary lien or encumbrance except liens for taxes or other liens that are given priority by statute.

2.26 “**First Mortgagee**” shall mean any person named as a Mortgagee in any First Mortgage when the holder has notified the Association, in writing, of its name and address and that it holds a First Mortgage on a Unit. The notice must include the address of the Unit regarding which the holder has a First Mortgage.

2.27 “**General Assessment**” shall mean the Assessment levied pursuant to the annual Budget as provided in Section 9.5.

2.28 “**General Common Elements**” are all tangible physical properties of this Project, other than Limited Common Elements and the Units. The General Common Elements include those Utilities identified as General Common Elements in Section 5.2.2 below and the following, to the extent not otherwise designated on the Map or in this Declaration as a Limited Common Element: (a) land, retaining walls, trash enclosure, park, and landscaping within the Project; (b) all easements and off-site entitlements included with or running for the benefit of the Property (whether in title or by contract), if any; (c) all sidewalks located on the Property (or any portion thereof), if any; (d) management offices, engineering office and group facilities, if any; (e) driveways and lanes to the Units and Parking Spaces; (f) parking spaces not otherwise allocated on the Map or in this Declaration as a Limited Common Element; (g) mechanical and equipment rooms designated on the Map as a General Common Element, if any; (h) all monument or directional signage, if any, mail boxes and stands, irrigation systems for the Project, and all exterior lighting located within the Project; (i) the roofs, exterior walls and main or bearing walls of or within the Buildings; (j) the main or bearing subflooring of the Buildings; (k) foundations, columns, girders, beams and supporting elements of the Buildings; (l) those items identified on the Map as “GCE” or General Common Elements; and (m) those parts of the Project necessary in common use or convenient to its existence, maintenance and safety.

2.29 “**General Common Expenses**” shall mean all Common Expenses other than Limited Common Expenses, including all Common Expenses incurred in connection with the ownership, administration, operation, management and Repair Work for the General Common Elements and those expenses identified in Section 9.2.1 below.

2.30 “**General Expense Sharing Ratio**” is defined in Section 9.2.2 below.

2.31 “**Good Standing**” shall mean that an Owner is not late in the payment any Assessments, and otherwise has none of his, her or its membership privileges suspended.

2.32 “**Gross Floor Area**” shall mean the sum of the gross horizontal areas of the floors of a Unit. All horizontal dimensions of each floor are to be measured from the unfinished interior surface of the walls (inside of the studs, back of drywall) of a building, to the center line of party walls and to the unfinished interior surface of any walls abutting exit or service corridors. In computing Gross Floor Area there shall be excluded the following: (a) any floor area devoted to mechanical equipment serving the building; (b) any floor area in a story the ceiling of which is less than four feet above grade at the nearest building line; (c) any floor area used exclusively as parking space for motor vehicles or for the storage of bicycles; (d) any floor area the ceiling of which is not greater than six feet; and (e) any floor area that is designated as a Common Element.

2.33 “**Hazard Insurance**” is defined in Section 10.5.

2.34 “**Hazardous Materials**” shall mean: (a) any chemicals, materials, or substances defined as, or included in, the definition of “hazardous substances,” “hazardous wastes,” “hazardous materials,” “extremely hazardous wastes,” “restricted hazardous wastes,” “toxic substances,” “toxic pollutants,” “contaminants,” or “pollutants” or words of similar import pursuant to any applicable Environmental Law; and (b) any other chemical, material or substance, exposure to which is prohibited, limited, or regulated by any governmental authority, including asbestos and asbestos-containing materials in any form, lead-based paint, any radioactive materials, polychlorinated biphenyls (“**PCBs**”), or substances or compounds containing PCBs or petroleum products.

2.35 “**Improvements**” shall mean all improvements, structures, and any appurtenances thereto or components thereof of every type or kind, and all landscaping features. The foregoing shall include all Buildings, outbuildings, patios, patio covers, awnings, Solar Equipment, painting or other finish materials on any visible structure, additions, walkways, sprinkler systems, driveways, screening walls, retaining walls, stairs, decks, balconies, trash enclosures, park improvements, landscaping, hedges, windbreaks, plantings, trees, shrubs, flowers, vegetables, sod, gravel, bark, exterior light fixtures, poles, signs, exterior tanks, utilities facilities, pipes, lines, and exterior air conditioning, cooling, heating and water softening equipment, if any.

2.36 “**Including**” or “**include**” or similar words, whether capitalized or not, shall mean *including, without limitation*.

2.37 “**Liability Insurance**” is defined in Section 10.6.

2.38 “**Limited Common Elements**” are all tangible physical properties of this Project, other than General Common Elements and the Units, including those items identified in: (a) Section 5.2.1; and (b) the Map or this Declaration as an “LCE” or a Limited Common Element. Limited Common Elements shall be reserved for the exclusive use of an Owner of a Unit or for the common use of more than one, but fewer than all, Owners.

2.39 “**Limited Common Expenses**” are those Common Expenses identified as such in this Declaration and those Common Expenses that are incurred in connection with the ownership, administration, operation, management, and Repair Work of the Limited Common Elements, including those described in Section 9.2.3 below.

2.40 “**Limited Expense Sharing Ratio**” is defined in Section 9.2.4 below.

2.41 “**Managing Agent**” shall mean a person or entity engaged by the Association to perform certain duties, powers or functions of the Association as the Board may authorize from time to time.

2.42 “**Map**” shall mean the Condominium Map of the Project recorded with the Clerk and Recorder, depicting a plan and elevations of all or a part of the Property subject to this Declaration and any supplements and amendments thereto. The Map and any supplements thereto are hereby incorporated herein by reference as if set forth in their entirety.

2.43 “**Member**” shall mean any person or entity that holds membership in the Association.

2.44 “**Mortgage**” shall mean any mortgage, deed of trust or other document pledging any Unit or interest therein as security for payment of a debt or obligation.

2.45 “**Mortgagee**” shall mean any person or entity named as a mortgagee or beneficiary in any Mortgage or any successor to the interest of any such person or entity pursuant to such Mortgage.

2.46 “**Nonprofit Act**” shall mean the Colorado Revised Nonprofit Corporation Act, as set forth in Colorado Revised Statutes §§ 7-121-101 *et seq.*, as the same may be amended from time to time.

2.47 “**Owner**” shall mean the owner of record, whether one or more persons or entities, of fee simple title in and to any Unit, and “Owner” also includes the purchaser pursuant to a recorded contract for deed related to a Unit with a current right of possession and interest in the Unit.

2.48 “**Owner Maintenance Manual**” means and refers to that information package provided to each Owner in connection with the first acquisition of each Unit and to the Association by the Contractor or Declarant entitled “Meadowlark Homeowner’s Care & Warranty Manual” dated [REDACTED], 20[REDACTED], as amended from time to time by Contractor or Declarant.

2.49 “**Parking Spaces**” is defined in Section 5.5.1 below.

2.50 “**Period of Declarant Control**” shall begin with the appointment of the initial Board and continue until the earliest of: (a) sixty (60) days after Declarant conveys seventy-five percent (75%) of the Units that may be created to Owners other than Declarant; (b) two years after the last conveyance of a Unit by Declarant in the ordinary course of business; or (c) two years after the right to add new Units was last exercised.

2.51 “**Permittees**” shall mean and include an Owner’s family, tenants, sub-tenants, contractors, subcontractors, agents, employees, guests, licensees, and invitees and their respective officers, directors, members, managers, contractors, subcontractors, agents, employees, guests, licensees and invitees.

2.52 “**Plans**” shall mean plans and specifications showing the nature, kind, scope, materials, dimensions, locations and engineering aspects of any additions or modifications proposed by any Owner in accordance with subsection 17.3.2.

2.53 “**Policies**” shall mean the responsible governance policies of the Association adopted by the Board as required by the Act.

2.54 “**Project**” shall mean the Community created by this Declaration and as shown on the Map consisting of the Property, the Buildings, the Units and the Common Elements.

2.55 “**Project Maintenance Manual**” means and refers to that information package provided to the Association by the Contractor or Declarant entitled “Meadowlark Common Building Project O&M Manual” dated [REDACTED], 202 [REDACTED], as amended from time to time by Contractor or Declarant.

2.56 “**Repair Work**” shall mean all maintenance, repair, and replacement work, including costs of plans and specifications, inspections, supervision and other related costs. All Repair Work performed by the Association shall be performed as specified in the Project Maintenance Manual or, if not addressed in the Project Maintenance Manual, as is appropriate to maintain the functionality and prolong the life of the Improvement in question and include taking all other actions necessary to maintain the Improvements in an aesthetically pleasing, functional, good, safe, sanitary, and sound condition. All Repair Work performed by an Owner shall be performed as specified in the Owner Maintenance Manual or, if not addressed in the Owner Maintenance Manual, and as is appropriate to maintain the functionality and prolong the life of the Improvement in question and include taking all other actions necessary to maintain the Improvements in an aesthetically pleasing, functional, good, safe, sanitary, and sound condition.

2.57 “**Requisite Percentage of Owners and First Mortgagees**” shall mean: (a) Owners of Units owning, in the aggregate, Units to which are appurtenant at least sixty-seven percent (67%) of those Voting Interests allocated to Units (as determined pursuant to Section 9.3.1); and (b) First Mortgagees, if any, that hold First Mortgages encumbering Units to which are appurtenant at least fifty-one percent (51%) of the Voting Interests of all Units encumbered by First Mortgages.

2.58 “**Rules**” shall mean the rules and regulations of the Association that govern the use of the Units, Common Elements and any property owned or managed by the Association, as created and amended from time to time by the Board.

2.59 “**Security Interest**” shall mean an interest in real estate or personal property created by contract or conveyance that secures payment or performance of an obligation. The term includes a lien created by a Mortgage, trust deed, security deed, contract for deed, land sales contract, lease intended as security, assignment of lease or rents intended as security, pledge of an ownership interest in an association, and any other consensual lien or total retention contract intended as security for an obligation.

2.60 “**Solar Equipment**” is defined in Section 17.4.

2.61 “**Special Assessment**” is defined in Section 9.7.

2.62 “**Special Declarant Rights**” shall mean the Development Rights and other rights expressly reserved for the benefit of Declarant in accordance with the specific terms and conditions of this Declaration.

2.63 “**Storage Areas**” is defined in Section 5.4.1.

2.64 “**Successor Declarant**” shall mean any person or entity to whom Declarant assigns any portion or all of its rights, obligations or interest as Declarant, as evidenced by an assignment or deed of record executed by both Declarant and the transferee or assignee and recorded with the Clerk and Recorder. Declarant may assign less than all of its rights as Declarant to more than one Successor Declarant.

2.65 “**Supplemental Declaration**” shall mean an instrument that amends and/or restates this Declaration.

2.66 “**Supplemental Map**” shall mean a supplemental Map of the Project that depicts any change in the Project through a Supplemental Declaration.

2.67 “**Town**” shall mean the Town of Mountain Village, Colorado.

2.68 “**Unavoidable Delay**” shall mean and include non-performance caused by fire or other casualty, national emergency, federal, state, or local governmental laws or regulations, war, civil commotion, strikes, lockouts, shortage or inability to obtain labor or materials, delay by governmental entity in the issuance of approvals of permits, epidemics, pandemics, acts of God, or other similar causes beyond the reasonable control of an Owner.

2.69 “**Unit**” shall mean the fee simple interest and title in and to an individual airspace that is contained within the unfinished interior surfaces of perimeter walls (*i.e.*, “studs in”), including, without limitation, those Utilities defined as part of a Unit pursuant to Section 5.2.2 below and all spaces, interior partitions, and other fixtures and improvements within the boundaries of a Unit and all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring and any other materials constituting any part of the finished surfaces thereof are a part of the Units; provided, however, that structural components (including concrete columns and pillars), that may constitute part of surrounding walls or columns, are nonetheless Limited Common Elements. In walls that separate one Unit from an adjoining Unit, the location of the vertical plane of the centerline of the divider wall shown on the Map shall be the common boundary between the adjoining Units. That part of the divider wall located within the boundary of the Unit shall be part of the Unit. Adjoining Units that share a divider wall shall have a cross-easement of support in the portion of the divider wall not located within the boundary of the Unit. Each Unit shall constitute a “unit” pursuant to the Act.

2.70 “**Utilities**” shall mean and include private and public utility lines, machinery or equipment of any type or nature, including wires, pipes, conduits, cables, fiber optics, and ducts for utility systems used for domestic cold and hot water, sanitary sewer, storm sewer, chilled water, condenser water, heating hot water, steam, steam condensate, natural gas, control compressed air, conditioned and non-conditioned air, ventilation and exhaust air, electricity, solar generation, security, fire alarm, emergency communications, systems control and automation, video monitoring, telephone, television, radio, high speed internet/intranet, other telecommunications systems, and other mechanical, electrical, and related life safety systems.

2.71 “**Voting Interests**” is defined in Section 9.3.1 below.

Each capitalized term not otherwise defined in this Declaration or in the Map shall have the same meaning specified or used in the Act.

ARTICLE 3 CONDOMINIUM MAP

3.1 **RECORDATION AND CONTENT.** Prior to the conveyance of any Unit, the Map shall be filed for record with the Clerk and Recorder. The Map may be filed in whole or in part or in parts or sections, from time to time and may be amended from time to time as provided in this Declaration. There shall be filed for record as a part of the Map the certificate of a registered land surveyor certifying that: (a) the Map substantially depicts the location and the horizontal and vertical boundaries of the Units to which it pertains; (b) such Map was prepared subsequent to substantial completion of the depicted Improvements; and (c) the Map contains all the information that is required by Section 209 of the Act. In interpreting the Map, the existing physical boundaries of each Unit, as constructed, shall be conclusively presumed to be its legal boundaries.

3.2 **AMENDMENTS.** Except as otherwise provided herein, the Map may be amended or supplemented with the prior written approval of: (a) sixty-seven percent (67%) of the Voting Interests; and (b) any First Mortgagee whose lien encumbers any portion of a Unit included in the proposed amendment or supplement. In addition, subject to Section 16.5, the Association or Declarant shall be entitled to amend or supplement the Map without the approval of Owners not owning affected Units: (a) for the subdivision or combination of Units as permitted in this Declaration; (b) to conform the Map to the actual location of constructed Improvements; (c) to, subject to the provisions of this Declaration, establish, vacate, and relocate easements of any kind; and (d) as may otherwise be permitted by this Declaration or the Act.

ARTICLE 4 DIVISION OF PROJECT INTO CONDOMINIUM OWNERSHIP

4.1 CREATION OF CONDOMINIUM.

4.1.1 *General.* Declarant hereby submits the Project to common interest ownership. The Project shall be deemed a “condominium,” as defined in the Act. The name of the Project is “*Meadowlark at Mountain Village Community.*”

4.1.2 *Condominium Association.* The Association shall serve as the condominium association for the Community in accordance with this Declaration.

4.2 DESCRIPTION OF UNITS.

4.2.1 Subject to Declarant’s Special Declarant Rights, including Development Rights, provided in Article 16 hereof, the Project is currently designed to be composed of twenty-nine (29) Units as designated on the Map. Each Unit shall consist of a separate fee simple estate in a separately-designated Unit. There shall pass with each Unit as appurtenances thereto the Allocated Interests appurtenant to that Unit and any other appurtenances as may be provided in this Declaration or the Act. Title in and to Units may be held in any form of ownership recognized in Colorado. In case of any concurrent, joint, or fractional ownership, each co-Owner shall be jointly and severally liable for performance and observance of all the duties and responsibilities of an Owner with respect

to the Unit in which he/she/it owns an interest. For all purposes herein, there shall be deemed to be only one Owner for each Unit. The parties, if more than one, having the ownership of a Unit shall agree between/among themselves how to share the rights and obligations of such ownership, but all such parties shall be jointly and severally liable for performance and observance of all of the duties and obligations of an Owner hereunder with respect to the Unit in which they own an interest.

4.2.2 Any contract of sale, deed, lease, Mortgage, will or other instrument affecting a Unit shall describe such Unit by its identifying letter and number as designated on the Map, followed by the name of the Project with further reference to this Declaration and the Map, and shall be substantially in the following form:

Unit ____, Meadowlark at Mountain Village Community, according to the Condominium Declaration thereof recorded on ____, 2024, at Reception No. ____ and the Condominium Map thereof recorded on ____, 2024, at Reception No. ____ in the records of the Clerk and Recorder of the County of San Miguel, State of Colorado, as amended from time to time.

Such description shall be good and sufficient for all purposes to sell, convey, transfer encumber or otherwise affect the Unit. The reference to this Declaration and the Map in any instrument shall be deemed to include any recorded supplements or amendments thereto.

4.3 **ASSOCIATION.** The name of the Association is “Meadowlark Owners’ Association, Inc.” Declarant has caused the Association to be incorporated as a non-profit corporation in accordance with the laws of the State of Colorado.

4.4 **IDENTIFICATION OF UNITS.** The identifying letter and number of each Unit is shown on the Map. The letter references the Building of which the Unit is a part.

4.5 **INSEPARABILITY OF UNITS.** Each Unit is inseparable and may be conveyed, leased, devised, or encumbered only as a single Unit. Each conveyance, transfer, devise, lease, encumbrance or other disposition of a Unit shall be deemed to be a conveyance, transfer, devise, lease, encumbrance or other disposition, as the case may be, of the entire Unit, together with all related Allocated Interests and all other appurtenant rights, interests, duties and obligations created by law or by this Declaration.

4.6 **NON-PARTITIONABILITY OF COMMON ELEMENTS.** All Common Elements shall be owned in common by the Owners as provided in this Declaration and shall remain undivided, and no Owner or other person having an interest in a Unit may bring any action for partition or division of any of the Common Elements. By acceptance of a deed or other instrument of conveyance or assignment, each Owner specifically waives its right to maintain a partition action or any other cause of action designed to cause a division of the Common Elements, and the provisions of this Section 4.6 may be pled as a bar to the maintenance of any such action. Any Owner who commences such action shall be liable to the Association for all of its costs, expenses and reasonable attorneys’ fees incurred in defending such action. Any purported conveyance, encumbrance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in Common Elements without the Unit to which that interest is allocated shall be void.

4.7 **COMBINATION OR SUBDIVISION.** In order to combine or subdivide any Units, the Owners (other than Declarant as to its right to subdivide or combine Units without Board approval),

shall submit an application to the Board, which shall include: (a) evidence that the proposed combination or subdivision of one or more Units complies with all building codes, fire codes, zoning codes, and other applicable ordinances adopted and enforced by the Town and the State of Colorado (however, such application need not include any required governmental approval that is subject to first obtaining Board approval, but such application must condition Board approval upon obtaining any such required governmental approval prior to commencing the requested action); (b) the proposed reallocation or recalculation of the Expense Sharing Ratios; (c) the proposed form of amendments to this Declaration and the Map, as may be necessary to show the Unit or Units that are created by the combination or subdivision of a Unit or Units and their dimensions and identifying numbers; (d) a deposit for fees (including attorneys' fees) and costs that the Association may incur in reviewing and effectuating the combination or subdivision, in an amount reasonably estimated by the Board; (e) a statement that the proposed combination or subdivision does not violate the terms of any Mortgage encumbering the Unit or Units; and (f) such other information requested by the Board. All costs and fees of combining, subdividing or re-subdividing any Units, including all costs and fees incurred by the Association in reviewing the request (including any attorneys' or other consultants' fees), shall be borne by the applicant. In any case in which the Board's approval is required, the Board shall be entitled to deny any request for combination or subdivision of Units on the basis that: (y) the combination or subdivision adversely impacts the maintenance or insurance responsibilities of the Association; or (z) for any other reason whereby the combination or subdivision adversely impacts the Project or the Association. Upon exercising any right to combine or subdivide Units, Declarant (in the case of a subdivision or combination by Declarant), or the Association shall record an amendment to this Declaration and the Map reflecting any changes resulting from the exercise of such right, sufficient to satisfy the requirements of the Map and deliver a copy thereof to each Owner.

4.8 NO SUBDIVISION, COMBINATION OR EXPANSION. Except as expressly provided in this Article 4 and except for Declarant's Special Declarant Rights, including Development Rights, as provided in Article 16, no portion of the Project (including the Common Elements) shall be subject to an action for division and no Units shall be subdivided, combined or expanded.

4.9 UNITS THAT MAY BE CREATED. The maximum numbers of Units that may be created in the Project is twenty-nine (29) Units.

ARTICLE 5 OWNER'S PROPERTY RIGHTS IN COMMON ELEMENTS

5.1 RIGHT AND EASEMENT TO COMMON ELEMENTS. Every Owner and its Permittees shall have a right and easement of enjoyment in and to the General Common Elements and those Limited Common Elements allocated to such Owner's Unit (whether separately or together with other Units), plus a right and easement of ingress and egress over, across, and upon the General Common Elements for the purpose of entering and exiting such Owner's Unit and Limited Common Elements from and to any public ways, for both pedestrian and vehicular travel, which rights and easements shall be appurtenant to, and pass with, the transfer of title to, the Owner's Unit and shall be perpetual and indefeasible; provided, however, that such rights and easements shall be subject to the following:

(a) the terms, provisions, covenants, conditions, restrictions, easements, reservations, uses, limitations and obligations now or subsequently contained in this Declaration and the Map;

(b) the right of the Association to suspend the voting rights and any and all other rights of any Owner or such Owner's Permittees to the use of any facilities within the Project for: (i) any period during which any Assessment against such Owner or against such Owner's Unit shall remain unpaid and past due; and (ii) any period of time that the Association may reasonably deem appropriate in connection with an infraction of any requirement of any of the Association Documents by an Owner or its Permittees;

(c) the right of the Association to adopt, from time to time, Rules concerning the Units, Common Elements or any property managed by the Association, and any facilities located thereon and the use thereof, as the Association may reasonably determine is necessary or prudent, subject, however, to the restrictions set forth in Section 6.10 hereof;

(d) the right of the Association to grant licenses and leases for the use and enjoyment of the Common Elements to the extent that the same do not unreasonably interfere with use of the General Common Elements and Limited Common Elements by the Owners of Units to which they are allocated;

(e) the right of the Association and Declarant (subject to limitation on the duration of Declarant's Special Declarant Rights set forth in Section 16.5 below) to grant permits, licenses and easements over the Common Elements for utilities and other purposes reasonably necessary or useful for the proper maintenance or operation of the Project, which do not unreasonably interfere with use of the General Common Elements and Limited Common Elements by the Owners of Units to which they are allocated; and

(f) the right of an Owner or the Owners of any Unit or Units to which a Limited Common Element is allocated to designate a reasonable location of any easement across such Limited Common Element, provided that such location does not undermine the purpose of such easement.

5.2 LIMITED COMMON ELEMENTS.

5.2.1 *Limited Common Elements.* The Limited Common Elements include the following:

(a) equipment rooms depicted on the Map that are allocated for the exclusive use of more than one, but less than all of the Units;

(b) those Utilities defined as such in Section 5.2.2 below;

(c) Parking Spaces (including those located within carports) allocated for the exclusive use of each Unit as depicted on the Map;

(d) decks, balconies and patios allocated for the exclusive use of each Unit as depicted on the Map;

(e) shutters, awnings, window boxes, windows, doors, entrances, exits and walkways that are for the exclusive use of less than all of the Units;

(f) exterior water hose bibs on Buildings A, C and D which are for the exclusive use of the Units in each of the buildings.

(g) Solar Equipment owned by Owners and installed on or within Common Elements in accordance with the requirements of this Declaration;

(h) any portion of a chute, flue, duct, wire, conduit, or other fixture that lies partially within and partially outside the designated boundaries of a Unit that serves one or more (but not all) Units; and

(i) with respect to all Buildings, each of the following, as they relate to a particular Building, shall be for the exclusive use of those Owners who own Unit(s) in said particular Building, and are thereby allocated to each Owner within the relevant Building on a percentage basis equivalent to a fraction, the numerator of which shall be the number of Units owned by an Owner in a particular Building and the denominator of which shall be the total number of Units in the Building:

(i) the riser, water and other utility rooms located within each Building.

Nonstructural walls located wholly within a Unit are considered parts of the Units in which they are located and not Common Elements.

5.2.2 Utilities. Utilities are categorized by this Declaration as General Common Elements, Limited Common Elements or parts of Units. Utilities that serve only one Unit and are located wholly within such Unit are part of the Unit served. Utilities that serve only one Unit but are not located wholly within such Unit are Limited Common Elements allocated to the Unit served. Utilities that serve more than one but less than all Units are Limited Common Elements allocated to the Units served. Utilities that serve all Units are General Common Elements allocated to all of the Units.

5.2.3 Allocation of Other Limited Common Elements. Limited Common Elements that are limited to, reserved for, or that serve only a single Unit are allocated to that Unit. Limited Common Elements that are limited to, reserved for, or serve more than one, but less than all, of the Units and that are otherwise not allocated by the provisions of this Declaration are allocated to those Units served.

5.2.4 No Disassociation. Except as otherwise provided in this Declaration, Limited Common Elements shall not be disassociated from a Unit to which they are allocated by the Declarant, the Association or any Owner, and no reference thereto shall be required to be made in any deed, Mortgage, instrument of conveyance, or other instrument describing such Unit.

5.3 GENERAL COMMON ELEMENTS. Each Owner of a Unit owns an undivided interest and has a non-exclusive right to use the General Common Elements without hindering or encroaching upon the lawful rights of other Owners and in accordance with the Rules and Policies. Subject to Declarant's proper exercise of Special Declarant Rights, without the prior written approval of the Requisite Percentage of Owners and First Mortgagees, no General Common Element may be abandoned, partitioned, subdivided, encumbered, sold or transferred; provided, however, that: (a) easements may be granted by Declarant or the Association over General Common Elements for public or private Utilities or for other public purposes consistent with the intended use of the General Common Elements; and (b) leases and licenses to use the General Common Elements may be granted

by the Association to Owners or others on arms-length terms and for commercially-reasonable consideration, without such approval being required. No reference to General Common Elements shall be required to be made in any deed, Mortgage, instrument of conveyance or other instrument describing the Unit. Except as otherwise provided herein, the operation and Repair Work for General Common Elements shall be the responsibility of the Association and the cost thereof is a General Common Expense.

5.4 STORAGE AREAS.

5.4.1 Certain Units may be allocated a storage space (each a “**Storage Area**”). Storage Areas are located on the ground level of Building A and have been or will be allocated as Limited Common Elements to Units by Declarant. Storage Areas are depicted on the Condominium Map as “SA_____” and numbered from 1 through 12. Each Storage Area is or will be allocated for the exclusive use and benefit of a Unit Owner as indicated on Exhibit D attached hereto. Each Storage Area shall be a Limited Common Element allocated to such Unit and may not be assigned or transferred apart from that Unit. Any subsequent sale or conveyance of the Unit, after the initial sale by Declarant, shall terminate the selling Owner’s right, title, and interest to the assigned Storage Area and shall cause the exclusive right to use such assigned Storage Area to vest in the purchaser of the selling Owner’s Unit. Storage Areas may be reallocated among the Units with the consent of the Association, the Owner, and First Mortgagee of each Unit whose Storage Area assignment is being changed, provided that such reallocation otherwise conforms to the requirements of Section 208(2) of the Act.

5.4.2 Storage Areas shall be used solely for the purpose of storing personal property belonging to the Owner or Permittee of the Unit to which such Storage Area is allocated as a Limited Common Element. Each Owner shall be responsible for maintaining the Storage Area allocated to such Owner’s Unit in a slightly condition, clean and free from debris of any kind. No Owner or Permittee shall store any explosives or any flammable, odorous, noxious, corrosive, hazardous or pollutant materials or any other goods in the Storage Area that would cause danger or nuisance to the storage areas within the Project. The Storage Areas shall not be used for any purposes unlawful or contrary to any ordinance, regulation, fire code or health code. If hazardous substances are stored, used, generated or disposed of on or in the Storage Area or if the Storage Area becomes contaminated in any manner for which the Owner or Permittee is legally liable, the Owner or Permittee shall indemnify and hold harmless Declarant, Association and the Board from any and all claims, damages, fines, judgments, penalties, costs, liabilities and losses and any sums paid from settlement of claims, attorneys’ fees, consultant and expert fees, arising as a result of such contamination.

5.4.3 Notwithstanding any provisions in Section 5.4.1 to the contrary, Declarant may, as part of its Development Rights and other Special Declarant Rights, reallocate Storage Area(s) among Units owned by Declarant in any manner desired by Declarant, prior to the sale of such Units to their initial Owners (other than Declarant or its First Mortgagee), and may amend this Declaration or the Map accordingly, all without the consent of the Association, the Board, any First Mortgagees, or any other person. Declarant’s Development Rights and other Special Declarant Rights set forth in this Section 5.4.3 shall terminate on the first to occur of the twentieth anniversary of the date this Declaration is recorded or the date of conveyance of the last Unit by Declarant to the first purchaser thereof (other than Declarant or its First Mortgagee). At such time, any Storage Areas that have not previously been allocated as Limited Common Elements by Declarant shall become General Common Elements to be operated and managed by the Association. Notwithstanding the provisions of this Section 5.4.3, Declarant’s right to reallocate Storage Areas will not apply to Storage Areas specifically

identified in any executed purchase agreement for sale of a Unit, without the prior consent of the contract purchaser.

5.5 PARKING SPACES.

5.5.1 Units may be allocated one or more parking spaces (each a “***Parking Space***”). Parking Spaces are located throughout the Project and have been or will be allocated as Limited Common Elements to Units by Declarant. Parking Spaces are depicted on the Condominium Map as “PS____” and numbered from 1 through 51. Each Parking Space is or will be allocated for the exclusive use and benefit of a Unit Owner as indicated on Exhibit E attached hereto. Each Parking Space shall be a Limited Common Element allocated to such Unit and may not be assigned or transferred apart from that Unit. Any subsequent sale or conveyance of the Unit, after the initial sale by Declarant, shall terminate the selling Owner’s right, title, and interest to the assigned Parking Space and shall cause the exclusive right to use such assigned Parking Space to vest in the purchaser of the selling Owner’s Unit. Parking Spaces may be reallocated among the Units with the consent of the Association, the Owner, and First Mortgagee of each Unit whose Parking Space assignment is being changed, provided that such reallocation otherwise conforms to the requirements of Section 208(2) of the Act.

5.5.2 Notwithstanding any provisions in Section 5.5.1 to the contrary, Declarant may, as part of its Development Rights and other Special Declarant Rights, reallocate Parking Space(s) among Units owned by Declarant in any manner desired by Declarant, prior to the sale of such Units to their initial Owners (other than Declarant or its First Mortgagee), and may amend this Declaration or the Map accordingly, all without the consent of the Association, the Board, any First Mortgagees, or any other person but subject to obtaining any required approvals from the Town. Declarant’s Development Rights and other Special Declarant Rights set forth in this Section 5.5.2 shall terminate on the first to occur of the twentieth anniversary of the date this Declaration is recorded or the date of conveyance of the last Unit by Declarant to the first purchaser thereof (other than Declarant or its First Mortgagee). At such time, any Parking Spaces that have not previously been allocated as Limited Common Elements by Declarant shall become General Common Elements to be operated and managed by the Association. Notwithstanding the provisions of this Section 5.5.2, Declarant’s right to reallocate Parking Spaces will not apply to Parking Spaces specifically identified in any executed purchase agreement for sale of a Unit, without the prior consent of the contract purchaser.

ARTICLE 6 ASSOCIATION

6.1 **ASSOCIATION GENERAL PURPOSES AND POWERS.** The Association shall manage the Common Elements and personal property of the Association as provided in this Declaration, the Articles and the Bylaws. It shall have all powers necessary or desirable to effectuate such purposes, including the right to: (a) operate, inspect, regulate, manage, maintain, alter, repair, replace, and charge fees in connection with the operation and use of the Common Elements; (b) enforce all provisions of this Declaration; and (c) perform all rights and obligations granted to the Association by the Association Documents and the Act. The administration and management of the Common Elements shall be governed by the Act and the Association Documents.

6.2 **PERSONAL PROPERTY.** The Association may acquire, hold and dispose of tangible and intangible personal property. The Owners shall have no beneficial interest in such property, except such right to enjoyment and use thereof as may be granted to the Owners by applicable Rules. Each Owner may use such personal property for its intended purpose, subject to the Rules, and in a manner that does not unreasonably hinder or encroach upon the lawful rights of the other Owners.

6.3 **BOARD .**

6.3.1 *Number and Classification of Directors.* During the Period of Declarant Control, the Board shall consist of three (3) persons or such other number as determined by Declarant. Following expiration or termination of the Period of Declarant Control, the Board shall consist of the number of persons set forth in the Bylaws. Except for members of the Board appointed by the Declarant during the Period of Declarant Control, all members of the Board shall be Members of the Association, or in the event that a Member is an entity other than a natural person, such member of the Board shall be an authorized representative of such entity Member.

6.3.2 *Election of the Board.* Members of the Board shall be elected or appointed as set forth below in this Section 6.3.2.

6.3.2.1 During the Period of Declarant Control: (a) subject to the balance of this Section 6.3.2.1, Declarant, or persons designated by Declarant, may appoint and remove the officers and members of the Board; (b) no later than sixty (60) days after conveyance of twenty-five percent (25%) of the Units that may be created to Owners other than a Declarant, at least one member and not less than twenty-five percent (25%) of the members of the Board must be elected by Members other than Declarant; and (c) not later than sixty (60) days after conveyance of fifty percent (50%) of the Units that may be created to Owners other than a Declarant, not less than thirty-three and one-third percent (33 1/3%) of the members of the Board must be elected by the Members other than Declarant.

6.3.2.2 After the earliest of: (a) termination of the Period of Declarant Control; (b) such other time as may be required pursuant to the Act; or (c) such other time as Declarant may, in its sole discretion determine, the Owners (including Declarant to the extent Declarant owns one or more Units) shall elect all members of the Board, at least a majority of which Board members must be Owners (or their designated representatives) other than Declarant.

6.3.2.3 Notwithstanding anything in this Section 6.3.2 to the contrary, Declarant may voluntarily relinquish any power to appoint Board members provided herein by executing a notice to such effect and recording such notice with the Clerk and Recorder, and in such event, Declarant may, at its option, require that specified actions of the Association or the Board as described in the recorded notice, during the period Declarant would otherwise be entitled to appoint and remove directors and officers, be approved by Declarant before they become effective.

6.3.3 *Powers of the Board.* Except for those matters expressly reserved to the Members as provided in the Association Documents, the Act, and/or the Nonprofit Act, the Board may act in all instances on behalf of the Association, to:

- (a) adopt and amend Bylaws and Rules and Policies;

(b) determine Common Expenses and adopt and amend the Budget for revenues, expenditures and reserves;

(c) collect Assessments;

(d) hire and terminate Managing Agents and other employees, agents and independent contractors;

(e) subject to Section 24.11.3 below, institute, defend or intervene in litigation or administrative proceedings in the Association's name on behalf of itself or two or more Owners on matters affecting the Project;

(f) borrow money to improve the Common Elements and to mortgage said Common Elements as security for any such loan; provided, however, that the Association may not subject any portion of the Common Elements to a security interest unless in compliance with Section 312 of the Act;

(g) make contracts and incur liabilities, except that any agreement for professional management of the Association's business or other contract providing for services by Declarant to the Association shall have a maximum term of three years and any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon not more than ninety (90) days' prior written notice;

(h) subject to the terms of this Declaration, 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 name of the Association any right, title or interest in personal property;

(k) grant easements, leases, licenses and concessions through or over the Common Elements to the extent that the same does not unreasonably interfere with use of the General Common Elements and Limited Common Elements by the Owners of Units to which they are allocated;

(l) impose and receive any payments, fees or charges for the use, rental or operation of the Common Elements (other than those Limited Common Elements described in Sections 202(1)(b) and (d) of the Act), provided that no fee, charge or payment may be assessed against any Owner or its Permittee;

(m) enforce the Association Documents, along with all other Rules adopted by the Board, including, without limitation, enforcement by: (i) suspending membership privileges (including, without limitation, voting privileges); and (ii) subject to the Policies, levying and collecting fines for the violation any of the Association Documents;

(n) impose charges (including late charges and default interest) for late payment of Assessments, recover reasonable attorneys' fees and other legal costs for collection of

Assessments and other actions to enforce the power of the Association, regardless of whether or not suit was initiated, and levy reasonable fines for violations of the provisions of the Governing Documents or otherwise suspend other membership privileges in accordance with the Policies;

(o) impose reasonable charges for the preparation and recordation of amendments to this Declaration or statements of unpaid Assessments;

(p) provide for the indemnification of its officers and Board members and maintain directors' and officers' liability insurance;

(q) assign its right to future income, including the right to receive Assessments, except that such Board action shall be effective only with the consent of Owners holding at least fifty-one percent (51%) of the Voting Interests;

(r) exercise any other powers conferred by this Declaration or the Bylaws;

(s) exercise all other powers that may be exercised in this state by legal entities of the same type as the Association, including those powers specified by the Nonprofit Act; and

(t) exercise any other powers necessary and proper for the governance and operation of the Association.

6.4 AGENCY WAIVER. Notwithstanding anything to the contrary contained in Section 6.3.3 but subject to the limitations of applicable law, the Association may enter contracts and leases in violation of the requirement set forth in Section 6.3.3 upon the waiver by HUD, VA, FNMA, and/or FHLMC of any provisions of any of such Agencies' legal requirements that would otherwise be violated by such contracts and leases.

6.5 ARTICLES OF INCORPORATION AND BYLAWS. The purposes and powers of the Association and the rights and obligations of the Association with respect to Owners set forth in this Declaration may be amplified, but not modified, by the provisions of the Articles and the Bylaws. In the event of a conflict between the provisions of the Articles and the Bylaws and the provisions of this Declaration, the provisions of this Declaration shall control.

6.6 COMMON ELEMENTS. Subject to Section 11.1 below: (a), the Association shall provide for the care, operation, management, and Repair Work for the Common Elements; and (b) without limiting the generality of the foregoing, such obligations shall include keeping the Common Elements in good, clean, attractive and sanitary condition, order and repair; removing any materials from the Common Elements that might impair access to the Units or the Project; and making necessary or desirable alterations, additions, betterments, or improvements to or on the Common Elements. In general, the Association shall exercise its duties in a manner designed to maintain the value of the Project as a first-class residential real estate property comparable to other first-class residential properties of similar size and type in the Town of Mountain Village.

6.7 MANAGING AGENT. The Association may contract with a Managing Agent to manage the affairs of the Association, which Managing Agent may charge competitive fees for the services provided. Any contract with a Managing Agent shall provide for the right of the Association to

terminate such contract without penalty or termination fee at any time upon not more than ninety (90) days' prior written notice.

6.8 WORKING CAPITAL FUND. The Association shall require the first Owner (other than Declarant) of any Unit who purchases that Unit from Declarant, to make a non-refundable contribution to the Association in an amount equal to three (3) times the then-current monthly installment of the annual Assessment. Said contribution shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Unit and shall be for the use and benefit of the Association, including to meet expenditures or to purchase equipment, property or services. Such contribution to the working capital fund shall not relieve an Owner from the obligation to make regular payments of Assessments as the same become due. Upon the transfer of his/her/its Unit, an Owner may secure a credit from his or her transferee (but not from the Association) for the aforesaid contribution to working capital fund.

6.9 BOOKS AND RECORDS. The Association shall make available for inspection, upon request, during normal business hours or pursuant to other reasonable circumstances, to Owners, Agencies and Mortgagees, current copies of the Association Documents and the books, records and financial statements of the Association prepared pursuant to the Association's Bylaws and as required by the Nonprofit Act and the Act. The Association may charge a reasonable fee for copying such materials. For purposes of this Section 6.9, reasonably available shall mean: (a) available during normal business hours upon at least five (5) business days' prior written notice; or (b) or at the next regularly scheduled meeting of the Members if such meeting occurs within thirty (30) days after the request.

6.10 RULES. The Board may promulgate and enforce, including enforcement by levying and collecting charges or fines for the violation thereof, reasonable Rules governing the use of the Units, Parking Spaces, Storage Areas, Common Elements and any property owned or managed by the Association. All such Rules shall be consistent with, and shall not materially diminish, the rights and duties established in this Declaration and the reasonable enjoyment of the uses permitted hereunder, and in no event shall any such Rules change the uses to which any Unit is restricted pursuant to this Declaration.

ARTICLE 7 MEMBERSHIP AND VOTING RIGHTS

7.1 MEMBERSHIP IN THE ASSOCIATION. Each Owner of a Unit shall automatically be a Member of the Association. Membership in the Association is appurtenant to, and inseparable from, each Unit and shall automatically pass with fee simple title to a Unit. Each Owner of a Unit shall automatically be entitled to the benefits and subject to the burdens relating to membership. If fee simple title to a Unit is held by more than one person or entity, then such persons or entities shall jointly appoint one person to exercise the rights and obligations of membership in the Association on behalf of such persons or entities, failing which, such Owners shall not have the right to vote as a Member nor to appoint directors to the Board.

7.2 VOTING AND APPROVAL RIGHTS. The Association shall have one class of membership consisting of the Owners. Except as otherwise provided for in this Declaration, each Member shall be entitled to vote on matters affecting the Association in accordance with their Voting Interests described

in Section 9.3 below. Each Owner, including Declarant while Declarant owns any Unit, is subject to all the rights and duties assigned to Owners pursuant to the Association Documents.

7.3 **TRANSFER OF MEMBERSHIP.** Membership in the Association shall not be transferred, pledged or alienated in any way, except upon the sale or encumbrance of a Unit and then only to the purchaser or lien holder with respect to such Unit. The Association shall not create a right of first refusal on any Unit, and Owners may transfer ownership of their Units free from any such right.

ARTICLE 8 EASEMENTS

8.1 **RECORDED EASEMENTS.** The Property shall be subject to all easements as shown on the Map, any plat, or other documents of record as of the date of this Declaration, those provided in the Act, and as otherwise set forth in this Declaration. Recorded easements that affect the Property as of the date of this Declaration are described in Exhibit C attached hereto.

8.2 **DECLARANT'S EASEMENT RIGHTS.** Declarant, for itself, its contractors and its successors and assigns, hereby reserves an easement for construction, utilities, drainage, ingress and egress over, in, upon, under and across the Common Elements (except those Limited Common Elements allocated to Units that have been sold by Declarant to a third party), together with the right to store materials on the Common Elements (except those Limited Common Elements allocated to Units that have been sold by Declarant to a third party), to build and maintain temporary walls, and to make such other use of the Common Elements (except those Limited Common Elements allocated to Units that have been sold by Declarant to a third party) as may be reasonably necessary or incident to any construction of the Units, or Improvements on the Property or other real property owned by Declarant, or other properties abutting and contiguous to the Property, or to perform warranty work and repairs and construction work on the Units and Common Elements, to store materials in secure areas and to control and have the right of access to work and repair until completion. In addition, Declarant, for itself, its successors and assigns, further reserves an easement through the Common Elements as may be reasonably necessary for the purpose of discharging Declarant's obligations or exercising any Special Declarant Rights reserved pursuant to this Declaration. Such rights may be exercised by Declarant from time to time, and at different times until termination thereof pursuant to Section 16.5, and no failure to exercise such rights at any time or for a period of time shall constitute a waiver of the rights contained herein.

8.3 **ENCROACHMENT EASEMENTS.** If there is an encroachment of Common Elements upon a Unit, or a Unit upon Common Elements or another Unit, a valid easement for the encroachment and maintenance thereof shall exist so long as such encroachment does not materially adversely interfere with the use or occupancy of any portion of the Project. Encroachments referred to herein include encroachments caused by: (a) errors in the original construction of the Buildings; (b) errors in the Map; (c) settling, rising or shifting of the earth; and (d) changes in position caused by repair or reconstruction of all or any part of the Project.

8.4 **UTILITY EASEMENTS.** There is hereby created a blanket easement upon, across, over, in and under the Property for the benefit of the Common Elements, Units, and Improvements situated on the Property for ingress and egress for utility providers and for the installation, replacing, repairing and maintaining of all Utilities, except that, if not already in existence, such easement may not be utilized by the utility providers until a written easement agreement setting forth the specific location

of the desired easement is executed by the Declarant or Association and such utility provider. The Board may condition the Association's approval on such matters as it deems appropriate, including location, design, alterations to existing structures and impact on the Common Elements and the Project, and the Board will not approve any utility easement request if the Board finds that such easement would interfere with the reasonable use and enjoyment of a Unit. Said blanket easement includes future utility services not presently available to the Units that may reasonably be required in the future. By virtue of this easement, after receiving approval of the Association, it shall be expressly permissible for the companies providing utilities to erect and maintain the necessary equipment in any of the Units and to affix and maintain wires, circuits, conduits, pipes, cables, transceivers, fiber optics and ducts on, above, across and under the roofs and exterior walls of the Improvements, all in a manner customary for such companies in the area surrounding the Property, subject to approval by the Board as provided above. Upon exercise of the rights contained in this Section 8.4, utility providers, at their sole cost and expense, shall repair (or replace if necessary) the Property and all Improvements thereon to their condition as they existed prior to the utility providers performing any work. The foregoing blanket easement for Utilities shall also be applicable to specific Utility easements shown on the Map.

8.5 SUPPORT EASEMENTS. Each Owner shall have a non-exclusive easement for horizontal, vertical and lateral support of such Owner's Unit, including a non-exclusive easement in and to all structural members, columns, beams, foundations, load bearing walls, and other structural components located in or constituting a part of the Common Elements or another Owner's Unit for the support of such Owner's Unit, and the support of any Common Elements surrounding, adjoining or located within such Owner's Unit.

8.6 ACCESS EASEMENTS FOR EMERGENCIES AND REPAIR WORK.

8.6.1 A general non-exclusive easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon the Property, including all Units and all Common Elements in the proper performance of their duties.

8.6.2 Some of the Common Elements are or may be located within a Unit. All Owners shall permit a right of entry to the Board, a Managing Agent, or any other person authorized by the Board or a Managing Agent, whether the Owner is present or not, for access through each Unit to all Common Elements, from time to time, as may be necessary for Repair Work for any of the Common Elements located thereon or accessible therefrom or for making emergency repairs necessary to prevent damage to the Common Elements or to another Unit. In order to facilitate the aforesaid Repair Work, all Owners shall provide the authorized Managing Agent(s) keys to their respective Units.

8.6.3 Notwithstanding anything in Section 8.6.2 to the contrary, for Repair Work other than emergency Repair Work, entry shall be made only on a regular business day during regular business hours, after providing the Owner with at least one day's written notice. In an emergency, entry shall be made at any time, provided that a reasonable effort according to the circumstances is made to give advance notice of entry and to minimize the effect of any such entry on any Owner and such Owner's Permittees.

8.6.4 The Board or its Managing Agent is granted the authority to use such reasonable force as is necessary to gain entry into a Unit in the event of an emergency, if no other means of entry are available in view of the circumstances. So long as an Owner has provided the

authorized Managing Agent with a key as set forth in Section 8.6.2 above, the Association shall bear the full responsibility and expense of all damages incurred to the Unit and/or Common Elements resulting from such forcible entry.

8.6.5 All damage to the interior or any part of a Unit resulting from the Repair Work of any of the Common Elements at the instance of the Association shall be paid for as part of the General Assessment by all of the Owners benefited by the Repair Work. No Owner shall be entitled to diminution or abatement for inconveniences or discomfort or lost profits arising from the Repair Work or other action taken to comply with any law, ordinance or order of any governmental authority. Restoration of the damaged Improvements shall be to a condition substantially the same as the condition in which they existed prior to damage.

8.6.6 Notwithstanding the foregoing, if any such damage is the result of the failure of an Owner to provide the authorized Managing Agent with a key to its respective Unit and/or the carelessness or negligence of any Owner, then such Owner shall be solely responsible for the costs of repairing such damage. In the event an Owner fails within a reasonable time upon proper notice to pay the cost of the damages incurred, the Board may pay for said damages and charge such Owner responsible as a Default Assessment.

8.7 **OWNERS' EASEMENTS.** Subject to the provisions of this Declaration and the right of the Association to regulate the use of, and convey or encumber, the Common Elements as set forth herein, each Owner and its Permittees shall have an easement: (a) in the General Common Elements for the purpose of ingress, egress and access to their Unit and, as appropriate, and to any Limited Common Elements allocated to such Units; and (b) to use the General Common Elements in common with other Owners.

8.8 **EASEMENTS DEEMED APPURTENANT.** The easements, uses, and rights created herein for any Owner shall be appurtenant to its Unit and all conveyances of and other instruments affecting title to a Unit shall be deemed to grant and be subject to the easements, uses, and rights provided for herein, even though no specific reference to such easements, uses and rights appears in any such instrument. Each Owner whose Unit is subject to an easement created by this Declaration may use the easement area for any purposes permitted in this Declaration not inconsistent with such easement and shall also have the right to temporarily interrupt the use of such easements as may be reasonably necessary to perform Repair Work to Common Elements or Units, provided that the temporary interruption does not materially interfere with the use and occupancy of another Owner's Unit or the Common Elements. Each Owner shall have the right to relocate any easement within its Unit at its own expense, so long as such Owner provides an adequate replacement easement that does not materially interfere with the use and occupancy of another Unit or the Common Elements.

8.9 **RESERVATION OF EASEMENTS, EXCEPTIONS AND EXCLUSIONS.** The Association is hereby granted the right to establish from time to time, by declaration or otherwise, utility and other non-exclusive easements, permits or licenses over the General Common Elements for the best interest of the Owners and the Association.

8.10 **ADDITIONAL EASEMENTS.** If at any time after the date hereof: (a) additional emergency easements are required by law or by insurance underwriting requirements generally applicable to residential projects; (b) any additional easements for access to or use of Utilities are reasonably necessary for the use and operation of any one or more Units; or (c) any additional

easements are necessary or desirable to effectuate the purposes of this Declaration, each Owner shall, within a reasonable time after written request by any other Owner, grant such easement; provided, however, that: (x) no Owner granting any such easement is required to construct Improvements, expend any monies, or incur other material liabilities in order to provide such easement (other than costs paid solely by the Owner(s) for whose benefit such easement is to be granted); (y) such easement will not materially increase expenses, or create any material additional expenses, for any portion of the Project (unless allocated to and paid by the Owner(s) for whose benefit such easement is to be granted or unless required by law); and (z) the use of such easement will be non-exclusive and will not unreasonably interfere with the operation, use or enjoyment of such Owner's Unit or violate or interfere with the rights or interests of such Owner's Permittees. The Owners requesting any such easement shall pay all costs and expenses in connection with the approval and granting of any such easement, including all engineering fees, recording charges and legal fees and expenses reasonably incurred by the Owners or any of them in connection therewith. If new easements are created, this Declaration and the Map shall be amended, if necessary, by Declarant or the Association, as the case may be, and such easements shall have the same force, effect and priority as if such easements were originally contained herein.

ARTICLE 9 ASSESSMENTS

9.1 **ASSESSMENTS.** All Owners, including Declarant while it is an Owner of any Unit, shall be obligated to pay all Assessments imposed by the Association. Each Assessment against a Unit is the personal obligation, jointly and severally, of the Owner(s) at the time the Assessment became due. No Owner may exempt itself from liability for the Assessment by abandonment of its Unit or by waiver of the use or enjoyment of all or any part of the Common Elements. Suit to recover a money judgment for unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, and all reasonable attorneys' fees in connection therewith shall be maintainable without foreclosing or waiving the Assessment lien provided in this Declaration. All Assessments shall be payable in accordance with the levy thereof, without offset or deduction.

9.2 **ALLOCATION OF COMMON EXPENSES.** Except as otherwise expressly provided in this Declaration, all assessments for Common Expenses shall be allocated among the Units in accordance with the Expense Sharing Ratios set forth for each Unit in *Exhibit B* or as provided in Section 9.2.4 below. Such assessments will be determined by multiplying the total amount of each category of Common Expenses by the respective Expense Sharing Ratio for each Unit.

9.2.1 *General Common Expenses.* For purposes of this Declaration, "**General Common Expenses**" shall mean all Common Expenses other than Limited Common Expenses. Examples of anticipated General Common Expenses include taxes and special assessments against the General Common Elements, if any, premiums for insurance (but excluding any separate or additional premiums attributable to one or more but not all of the Units), Utility charges for the General Common Elements or charges not otherwise chargeable to a particular Owner or group of Owners, expenses associated with the maintenance of the stormwater facility that serves the Property, expenses for maintenance and repairs to sidewalks and alleys adjacent to the Property, expenses for maintenance, repairs and renovations not otherwise chargeable to a particular Owner or group of Owners, wages, legal and accounting fees (not otherwise chargeable to a particular Owner or group of Owners), capital expenditures (not otherwise chargeable to a particular Owner or group of Owners), expenses and liabilities incurred by the Association or its Managing Agent on behalf of the Owners pursuant to, or

by reason of, the Association Documents not otherwise chargeable to a particular Owner or group of Owners, any deficit from a previous period not otherwise chargeable to a particular Owner or group of Owners, creation of a reasonable capital improvement reserve and a contingency reserve for the General Common Elements, and all other costs and expenses related to the General Common Elements not otherwise chargeable to a particular Owner or group of Owners.

9.2.2 *General Expense Sharing Ratio.* This figure shall be the percentage equivalent to a fraction, the numerator of which shall be the number of votes allocated to a Unit (determined pursuant to Section 9.3.1 below), and the denominator of which shall be the total number of votes allocated to all Units in the Project (determined pursuant to Section 9.3.1 below). The General Expense Sharing Ratios will be set forth in Exhibit B, as may be amended pursuant hereto.

9.2.3 *Limited Common Expenses.* For purposes of this Declaration, the term “**Limited Common Expenses**” shall mean all expenses related to the operation, management, maintenance, repair, replacement, reasonable reserves, insurance, Utilities and other expenses and expenditures associated with a Limited Common Element the use or benefit of which is allocated to less than all of the Units, as reflected either in this Declaration or on the Map, as each may be amended pursuant hereto, and which expense is not otherwise allocated pursuant to this Article 9.

9.2.4 *Limited Expense Sharing Ratios.* As to a Unit to which a Limited Common Expense is to be allocated, the “**Limited Expense Sharing Ratio**” shall be the percentage equivalent to a fraction, the numerator of which shall be the number of votes allocated to that Unit (determined pursuant to Section 9.3.1 below), and the denominator of which shall be the total number of votes allocated to all Units (determined pursuant to Section 9.3.1 below) to which the particular Limited Common Expense is to be allocated.

9.2.5 *Changes in Expense Sharing Ratios and Voting Interests.* Exhibit B shall be amended by Declarant following the combination or subdivision of any Unit in accordance with Article 4 pursuant to a reasonable method to be determined by the Board.

9.3 **DETERMINATION OF VOTING INTERESTS.** The Voting Interest of each Owner shall be determined and governed by the provisions of this Section 9.3 as set forth below.

9.3.1 *Voting Interests.* With respect to all matters on which Owners are entitled or may be requested to vote or approve, each Owner of a Unit shall be entitled to one vote for each 100 square feet of Gross Floor Area included within a Unit. The Gross Floor Area of each Unit shall be as reasonably determined by Declarant. The “**Voting Interests**” will be as set forth on Exhibit B, as may be amended pursuant hereto.

9.3.2 *No Vote if Not in Good Standing.* No Owner shall be entitled to vote on any matter if such Owner is not in Good Standing with the Association, and the Voting Interest of such Owner not in Good Standing shall be excluded from the calculation of the percentage required for approval of the vote or matter in question (both as to numerator and denominator). All Owners in Good Standing shall be entitled to vote in accordance with the provisions of Section 7.2 herein.

9.4 BUDGET.

9.4.1 *Budget.* The Board shall prepare and adopt a proposed Budget for each fiscal year based on estimated Common Expenses. The Budget shall show, among other things, the categories of expenses, the amount of General Common Expenses and Limited Common Expenses, any capital expenditures, any expected income of the Association for the coming fiscal year, any expected surplus or deficit from the prior year, and any existing surplus held by the Association. The Budget may include amounts for contingencies and amounts deemed necessary or desirable to create, replenish, or add to Association funds and reserves for capital expenditures related to the Common Elements and such other Association expenditures permitted hereunder.

9.4.2 *Approval by Owners.* Within ninety (90) days after the adoption of the proposed Budget, the Board shall: (a) mail, by ordinary first class mail, or otherwise deliver (including by email to the extent permitted by the Act), a summary of the Budget to all Owners; and (b) shall set a date for a meeting of the Owners to consider ratification of the Budget within a reasonable time after mailing or other delivery of the summary or within such time as may be required by Association Documents or the Act. Unless at that meeting Owners holding at least fifty-one percent (51%) of the Voting Interests reject the Budget, the Budget shall be deemed ratified, whether or not a quorum of all Members of the Association is present. In the event that a proposed Budget is rejected, the periodic Budget last ratified by the Owners must be continued until such time as the Owners ratify a subsequent Budget proposed by the Board.

9.4.3 *Reserve Fund.* The Association shall maintain an adequate reserve fund for the Repair Work to be performed on the Common Elements, which reserve shall be funded by General Assessments based on Expense Sharing Ratios and shall be included in the Budget.

9.5 **GENERAL ASSESSMENTS.** An Owner's General Assessment shall be determined based on the adopted and ratified Budget. The Board shall levy and assess the General Assessments to each Owner in accordance with the Expense Sharing Ratios in effect on the date of the General Assessment; provided, however, that the Board may allocate those expenses relating to fewer than all of the Units to Owners of those affected Units only. General Assessments shall be payable in advance monthly and shall be due on the first day of each month in regular installments on a prorated basis. If the Association omits or fails to set the amount of the General Assessments for any assessment year, Owners shall be obligated to continue making periodic payments to the Association for General Assessments in the same amount and on the same schedule as last fixed by the Association. General Assessments shall provide for the payment of all estimated Common Expenses.

9.6 **DATE OF COMMENCEMENT OF GENERAL ASSESSMENTS.** The General Assessments shall commence as to each Unit on the first day of the month following the effective date of adoption and ratification of the first Budget, but in any event, no later than thirty (30) days following the conveyance of the first Unit to a party other than Declarant. Until commencement of the General Assessments, the Declarant shall pay all Common Expenses of the Association.

9.7 **SPECIAL ASSESSMENTS.** In addition to the General Assessments, the Association may levy in any fiscal year one or more Special Assessments, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction (excluding costs of initial completion, which shall be paid by Declarant) or reconstruction, unexpected repair or replacement of Association-Insured Property or for any other expense incurred or to be incurred as

provided in this Declaration. This Section 9.7 shall not be construed as an independent source of authority for the Association to incur expense, but shall be construed to prescribe the manner of assessing expenses authorized by other sections of this Declaration. Any amounts assessed pursuant to this Section 9.7 shall be assessed to Owners according to their Expense Sharing Ratios for Common Expenses, subject to the terms of this Declaration (including the fact that the Board may allocate Special Assessments to only Owners of affected/benefitted Units if the nature of the Special Assessment affects or benefits less than all Units/Owners). Notice in writing of the amount of such Special Assessments and the time for payment of the Special Assessments shall be given promptly to the Owners, and no payment shall be due less than thirty (30) days after such notice shall have been given.

9.8 DEFAULT ASSESSMENTS. All monetary fines and other enforcement costs assessed against an Owner pursuant to Association Documents, or any expense of the Association that is the obligation of an Owner or is incurred by the Association on behalf of an Owner pursuant to the Association Documents, and all other monetary obligations of Owners pursuant to the Association Documents, other than with respect to General Assessments and Special Assessments, including attorneys' fees incurred by the Association, shall constitute a "**Default Assessment**," which Default Assessment shall be due and payable no later than fifteen (15) days after the Association's provision of written notice thereof.

9.9 LIMITED COMMON EXPENSES. The Association may include in any type of Assessment the amount of any Limited Common Expense authorized by this Declaration for which the assessed Owner is liable.

9.10 ASSESSMENTS/CHARGES FOR SERVICES TO LESS THAN ALL UNITS IN COMMUNITY. The Association may, at any time from time to time, provide services to less than all of the Units in the Community. If such services are not funded by General Assessments or Special Assessments, then such services shall be provided, if at all, pursuant to a writing that includes a statement and terms for payment of the costs, fees and expenses that are to be paid by such Owners for such services (including overhead expenses of the Association). Services that may be provided by the Association pursuant to this Section include (a) the construction, care, operation, management, maintenance, repair, replacement, reconstruction and renovation of Improvements or property owned by such Owner(s); (b) the provision of any services or functions; (c) the enforcement of the provisions of any declaration, covenants or any other document or agreement for, on behalf of, and in the name of the applicable Owners; (d) the payment of taxes or other amounts for Owners with funds provided by such Owners; and (e) the procurement of insurance for Owners.

9.11 EFFECT OF NONPAYMENT: ASSESSMENT LIEN. Any Assessment installment that is not paid when due, shall be delinquent. If an Assessment installment becomes delinquent, the Association, in its sole discretion, may, subject to the Policies and any requirements of the Act, take any or all of the following actions:

(a) assess a late charge for each delinquency in such amount as the Association deems appropriate (in accordance with the Policies);

(b) assess an interest charge, in arrears, from the due date at such rate as may be set from time to time by the Board of Directors;

- (c) suspend the voting rights of the Owner during any period of delinquency;
- (d) accelerate all remaining Assessments so that unpaid Assessments for the remainder of the fiscal year shall be due and payable immediately;
- (e) bring an action at law against any Owner or former Owner personally obligated to pay the delinquent Assessments;
- (f) proceed with foreclosure in accordance with the Policies, as set forth in more detail below; and
- (g) in accordance with the Policies, suspend any of the Owner's membership privileges in the Association.

Assessments chargeable to any Unit shall constitute a lien on such Unit. Such lien will be subject to the provisions of, and have the priority described in, Section 316 of the Act. The Association may institute foreclosure proceedings against the defaulting Owner's Unit in the manner for foreclosing a deed of trust on real property pursuant to the laws of the State of Colorado, as further described in the Policies. In the event of any such foreclosure, the Owner shall be liable for the amount of unpaid Assessments, any penalties and interest thereon, the cost and expenses of such proceedings, the cost and expenses for filing the notice of the claim and lien, and all reasonable attorneys' fees incurred in connection with the enforcement of the lien. The Owner shall be required to pay the Association the monthly Assessment installments for the Unit during the period of any foreclosure. Unless prohibited by applicable law, the Association shall have the power to bid on a Unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. Subject to Section 316 of the Act, the Association's lien shall be superior to any homestead or other exemption now or hereafter provided by the laws of the State of Colorado or by the laws of the United States and the acceptance of a deed to a Unit shall constitute a waiver of such exemptions.

9.12 FAILURE TO LEVY ASSESSMENT. The failure to levy any Assessment or deliver a statement for any period shall not be deemed a waiver, modification, or a release of any Owner from its obligation to pay, and such Owner shall be obligated to continue making periodic payments to the Association for such Assessment in the same amount and on the same schedule as last fixed by the Association.

9.13 STATEMENT OF STATUS OF ASSESSMENT PAYMENT. The Association shall furnish to any Owner, designee of Owner, Agency, Mortgagee, prospective Mortgagee or prospective purchaser of a Unit, upon written request to the Association or its registered agent by personal delivery or certified mail, first-class postage prepaid, return receipt, to the Association's registered agent, a written statement setting forth the amount of the unpaid Assessments currently levied against such Unit, if any. The statement shall be furnished after written request within such times as required by law, and is binding upon the Association, the Board, and every Owner. The Association shall have the right to charge a reasonable fee for the issuance of such statements.

9.14 MAINTENANCE ACCOUNTS: ACCOUNTING. If the Association delegates powers of its Board or its officers relating to collection, deposit, transfer or disbursement of Association funds to other persons or to a Managing Agent, then such other persons or Managing Agent must: (a) maintain all funds and accounts of the Association separate from the funds and accounts of other associations

managed by the other person or Managing Agent; (b) maintain all reserve accounts of the Association separate from the operational accounts of the Association; and (c) provide to the Association no less than once per month an accounting for the previous month. In addition, the Association shall obtain an annual accounting and financial statement of Association funds (on either a review or audit basis, at the Association's discretion and in compliance with the Act) and annual tax returns prepared by a certified public accountant or as otherwise required by the Act.

9.15 **SEPARATE UNITS.** Each Unit shall be deemed to be a parcel and shall be subject to separate assessment and taxation for all types of taxes authorized by law, including ad valorem levies and special assessments. No part of the Project (including the Leasehold interest in the Property) other than Units shall be deemed a parcel. The lien for taxes assessed to any Unit shall be confined to such Unit. No forfeiture or sale of any Unit for delinquent taxes, assessments or other governmental charges shall divest or in any other way affect the title to any other Unit. In the event the taxes or assessments for any year are not separately assessed to each Owner but rather are assessed on the Project as a whole, then each Owner shall pay its proportionate share thereof in accordance with such Owner's Expense Sharing Ratio, and in such event, such taxes or assessments shall be a General Common Expense. The Association shall collect from each Owner its proportionate share of taxes and assessments for any year in which taxes are assessed on the Project as a whole.

ARTICLE 10 INSURANCE

10.1 **GENERAL INSURANCE PROVISIONS.** The Association shall acquire and pay for, out of the Assessments, the Association insurance policies described in this Article 10 with reputable insurance companies authorized to do business in Colorado.

10.2 **CERTIFICATES OF INSURANCE; CANCELLATION.** Certificates of insurance shall be issued to each Owner and Mortgagee upon request. All policies required to be carried by the Association pursuant to this Article 10 shall provide a standard non-contributory mortgagee clause in favor of each First Mortgagee of a Unit and shall provide that such policy cannot be canceled by the insurance company without at least thirty (30) days' prior written notice to each Owner and each First Mortgagee whose address is shown in the records maintained pursuant to the documents of the Association. Each Owner shall provide the Association with certificates evidencing the insurance required pursuant to Sections 10.8 and 10.9 below. All policies required to be carried by Owners pursuant to Sections 10.8 and 10.9 below shall provide a standard non-contributory mortgagee clause in favor of each First Mortgagee of a Unit and shall provide that such policy cannot be canceled by the insurance company without at least thirty (30) days' prior written notice to the Association and First Mortgagee. If any insurance coverage required of the Association and described in this Article 10 is not reasonably available, or if any policy of such insurance is cancelled or not renewed without a replacement policy therefor having been obtained, the Association promptly shall cause notice of that fact to be hand delivered or sent prepaid by United States mail to all Owners and to all First Mortgagees. Insurance policies required to be carried pursuant to this Article 10 shall provide for waiver of by the insurer of any rights of subrogation against the Association, the Managing Agent and any insured.

10.3 **INSURANCE PROCEEDS.** The insurance proceeds for any loss covered by insurance policies described in Article 10 shall be payable to a trustee designated for that purpose, or otherwise to the Association and not to any Owner or any holder of a Security Interest. The insurance trustee or the Association shall hold any insurance proceeds in trust for the Owners and Mortgagees as their

interests may appear. Subject to the provisions of Section 10.4 below, the proceeds must be disbursed first for the repair or restoration of the damaged property, and the Association, Owners and Mortgagees 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 or the Community is terminated.

10.4 REPAIR AND REPLACEMENT OF COMMON ELEMENTS. Any portion of the Common Elements for which insurance is required pursuant to this Article 10 that is damaged or destroyed must be repaired or replaced promptly by the Association unless:

- (a) the Community is terminated in accordance with Section 19.2 below;
- (b) repair or replacement would be illegal pursuant to any state or local statute or ordinance governing health or safety;
- (c) there is an affirmative vote not to rebuild by: (i) the Requisite Percentage of the Owners and First Mortgagees; (ii) every Owner of a Unit (or a Limited Common Element allocated to a Unit) that will not be rebuilt; and (iii) every Owner of a Unit that depends for structural support on the damaged or destroyed Common Element; or
- (d) prior to the conveyance of any Unit to a person other than Declarant, the Mortgagee holding a Mortgage on the damaged portion of the Common Elements rightfully demands all or a substantial part of the insurance proceeds.

The cost of repair or replacement of Common Elements in excess of insurance proceeds and reserves is a General Common Expense, a Limited Common Expense, or a combination of the foregoing, based on the type of Common Element damaged, as determined by the Board. If all of the Common Elements are not repaired or replaced, the insurance proceeds attributable to the damaged Common Elements must be used to restore the damaged area to a condition compatible with the remainder of the Project, and except to the extent that other persons will be distributees, the insurance proceeds must be distributed to all the Owners or Mortgagees in proportion to the Owners' Expense Sharing Ratios.

10.5 HAZARD INSURANCE COVERAGE FOR THE COMMON ELEMENTS. The Association will procure and maintain at its expense (which shall be a Common Expense) insurance for all risks of physical damage, with extended coverage, boiler and machinery, fire, vandalism, terrorism, malicious mischief, earthquake, demolition and replacement cost, sprinkler leakage, agreed amount (if the policy includes co-insurance), special condominium, building ordinance (including modern code compliance) and inflation guard endorsements attached (collectively, "*Hazard Insurance*"), in amounts not less than the full then current insurable replacement cost of the Common Elements (including all Improvements that are Common Elements), but excluding all fixtures, interior and exterior walls and floors, partitions, decorated and finished surfaces of interior and exterior walls, floors, and ceilings, doors, windows, and other elements or materials that comprise a part of the Units, any betterments and improvements made by Owners (after the transfer of title to the Unit by Declarant), any furniture, personal property and other contents located within the Units. Such insurance is referred to as "bare walls" policy and may further exclude building excavations and foundations if such coverage is not available. The insurable replacement cost of the Common Elements will be based on the most recent appraisal provided by a qualified appraiser as updated from time to time in accordance with policy requirements. Maximum deductible amounts for such policies shall be determined by the Board;

provided, however, that if an Agency or First Mortgagee requires specific deductibles, the Board shall follow such Agency's or First Mortgagee's requirements (with the incremental insurance cost incurred to be specifically allocated by the Association as a Limited Common Expense of the Unit securing the requiring Agency's or First Mortgagee's Mortgage). Payment of the deductible or payment of any loss falling within the deductible portion of a policy will be made by the Association. Funds to cover the deductible amounts or any losses within the deductible portion of a policy will be Common Expenses allocated among Owners in accordance with their Expense Sharing Ratios. The Hazard Insurance will name each Owner as an additional insured.

10.6 COMMERCIAL LIABILITY FOR THE ASSOCIATION. The Association will procure and maintain at its expense (which shall be a Common Expense) commercial general public liability and property damage insurance (including sprinkler leakage liability) for the Project ("**Liability Insurance**") in such amounts as the Board deems desirable, provided that such coverage shall be for a minimum of \$1,000,000 for bodily injury, including death, and property damage arising out of a single occurrence or in the aggregate. Such policies shall insure the Association and the Board, the Managing Agent(s) and their respective agents and employees, and the Owners and their Permittees (to the extent that such insurance extending to all Permittees is available) from liability in connection with the operation, maintenance and use of Common Elements and must include a "severability of interest" clause or specific endorsement. Such coverage shall also include legal liability arising out of contracts of the Association and such other risks as are customarily covered with respect to common interest ownership communities similar to the Project in the Town. The Board shall not enter into independent contractor contracts of any kind unless the contracting party provides evidence (such as a certificate of insurance) to the Board that such party has current and satisfactory insurance, including worker's compensation insurance, commercial general liability and automobile insurance, all of which name the Association and its Members as additional insureds. If the Association shall enter into an employer-employee relationship with any individual, the Association shall procure the insurance coverage set forth in the immediately preceding sentence. The Liability Insurance shall not cover individual operations of Units, which shall be separately obtained by the Owners in accordance with Section 10.9 below.

10.7 ASSOCIATION INSURANCE REQUIREMENTS. The insurance policy required by Section 10.6 above may be carried in blanket policy form naming the Association as the insured, for the use and benefit of the Owners, the members of the Board and their respective agents. Each Owner shall be named as an additional insured pursuant to such policy with respect to liability arising out of such Owner's interest in the Common Elements or membership in the Association. The insurance company shall waive its rights of subrogation. No act or omission by any Owner, unless acting within the scope of such Owner's authority on behalf of the Association, and no act or omission of any other insured, shall void the insurance policy or be a condition to recovery pursuant to the insurance policy. If, at the time of a loss pursuant to an insurance policy described in Section 10.6 above, there is other insurance in the name of the Owner covering the same risk covered by the policy of the Association, the Association's policy shall provide primary insurance.

Notwithstanding anything contained herein to the contrary, all insurance carriers selected by the Association pursuant to Sections 10.5 and 10.6 shall conform to the minimum financial rating, asset size, and other reasonable requirements imposed by Agencies and First Mortgagees; provided, however, that in no event shall any insurance required hereunder be maintained with an insurer having a rating by Best Insurance Reports that is lower than "A-/XIII" (or if such rating is no longer published

or is modified, then such rating or qualifications as shall be equivalent to the aforesaid rating as determined as of the date of this Declaration), without the approval of all First Mortgagees.

10.8 OWNERS' HAZARD INSURANCE. Each Owner of a Unit shall obtain and maintain Hazard Insurance which covers its Unit to the extent not covered by policies maintained by the Association as described above. Such Hazard Insurance shall provide coverage from the unfinished interior surfaces of perimeter walls in (*i.e.*, “studs in”), including, without limitation, finished interior surfaces of the walls, floors, and ceilings, furniture, wall trimmings, improvements, equipment, fixtures, additional or other personal property supplied or installed by such Owner within its Unit in a minimum amount equal to the greater of: (a) the replacement value thereof; or (b) such greater amount as may be required by any First Mortgagee. The Hazard Insurance required to be carried by Owners under this Section 10.8 is currently referred to as an HO-6 Policy.

10.9 OWNERS' LIABILITY INSURANCE. Each Owner of a Unit shall obtain and maintain Liability Insurance coverage in such amounts as the Board deems desirable, provided that such coverage shall be for a minimum of \$300,000 for bodily injury, including death, and property damage arising out of a single occurrence or in the aggregate. Such liability policies shall insure the Owner, its Permittees and their respective agents and employees (to the extent that such coverage is reasonably available) from liability in connection with the operation, maintenance and use of the Unit and must include a “severability of interest” clause or specific endorsement. In addition, any liability policy obtained by an Owner shall name the Association and the Managing Agent as additional insureds. The insurance company providing any Liability Insurance or Hazard Insurance obtained by an Owner shall waive its rights of subrogation against the Association and the Managing Agent. The Association and each Owner, respectively, hereby waives its rights of recovery that the Association or Owner may have against the other or any other Owner arising out of any event or occurrence to the extent of the Liability Insurance or Hazard Insurance policy proceeds (plus deductible amounts) applicable to such event or occurrence.

10.10 OWNERS' FAILURE TO OBTAIN INSURANCE. In the event an Owner fails to obtain and maintain any insurance required pursuant to Section 10.8 or Section 10.9 above, and an uninsured loss occurs that would have otherwise been covered by the insurance required by this paragraph, the Association shall have the option to repair, replace or restore the damaged property to its previous condition and such Owner shall be liable to the Association for the loss suffered, and the Association shall be entitled to recover such amounts from the Owner in the same manner as any other debts owed to the Association. In addition, in the event an Owner fails within thirty (30) days after notice from the Association to obtain and maintain any insurance required pursuant to Section 10.8 or Section 10.9 above, the Association may (but shall have no obligation to) obtain and pay for such insurance and charge such Owner responsible as a Default Assessment.

10.11 FIDELITY INSURANCE. Fidelity insurance or fidelity bonds must be maintained by the Association to protect against dishonest acts on the part of its officers, directors, trustees and employees and on the part of all others, including any Managing Agents, hired by the Association, who handle or are responsible for handling the funds belonging to or administered by the Association in an amount not less than the greater of: (a) fifty thousand dollars (\$50,000); or (b) the estimated maximum amount of funds, including reserve funds, in the custody of the Association or its Managing Agent, as the case may be, at any given time during the term of each policy, as calculated from the current Budget, but in no event less than a sum equal to three months' aggregate General Assessments. In addition, if responsibility for handling funds is delegated to a Managing Agent, such insurance or bonds must be

obtained by or for the Managing Agent and its officers, employees and agents, as applicable. Such fidelity insurance or bonds shall contain waivers of all defenses based upon the exclusion of persons serving without compensation from the definition of “employees,” or similar terms or expressions.

10.12 WORKER’S COMPENSATION INSURANCE. The Association shall obtain worker’s compensation or similar insurance with respect to its employees, if applicable, in the amounts and forms as may now or hereafter be required by law.

10.13 DIRECTORS AND OFFICERS LIABILITY INSURANCE. The Association shall also maintain insurance to the extent reasonably available and in such amounts as the Board may deem appropriate on behalf of the Board, against any liability asserted against a member or former member of the Board or incurred by such person in his or her capacity of or arising out of his or her status as a member or former member of the Board, and against any liability asserted against any officer or former officer of the Association in connection with his or her service in that capacity.

10.14 OTHER INSURANCE. The Board may obtain any other type of insurance it considers appropriate in amounts it deems appropriate to insure the interests of the Association and the Owners, including umbrella or extended coverage insurance, automobile insurance, flood insurance, boiler and machinery insurance, building ordinance coverage or coverage requested by any Agency or First Mortgagee. The Board may also require each Owner to obtain and maintain other insurance with respect to the Units in the amounts and forms as may now or hereafter be required by law or deemed to be in the best interest of the Association.

10.15 COMMON EXPENSES. Unless otherwise identified as a Limited Common Expense, premiums for insurance that the Association acquires pursuant to this Article 10 and other expenses connected with acquiring such insurance are General Common Expenses. Notwithstanding the foregoing, if some of the insurance (or certain levels of insurance) is attributable to or requested by some but not all of the Units (or First Mortgagees holding Mortgages encumbering such Units), the Association may charge those specific Units for which the insurance coverage is attributable or requested an amount equal to the premium attributable to such insurance coverage. Likewise, if any activity, use, or practice conducted by occupants of some but not all of the Units causes insurance premiums to increase over a level that would be charged for ordinary residential activities, uses or practices, the Association may charge those specific Units the amount of such increase.

ARTICLE 11 MAINTENANCE

11.1 MAINTENANCE BY OWNERS. Each Owner shall maintain and keep in good repair the interior of its Unit, including the fixtures thereof to the extent current repair shall be necessary in order to avoid damaging other Owners and Common Elements. All fixtures and equipment installed within the Unit commencing at a point where the Utilities enter the Unit shall be maintained and kept in repair by the Owner of such Unit. Each Owner, at its sole cost and expense, shall further maintain and conduct such Repair Work as reasonably required to maintain any Limited Common Elements allocated solely to the Owner’s Unit, other than those Limited Common Elements that the Association chooses to maintain for reasons of uniformity or structural considerations. Each Owner shall regularly inspect its Unit and any Limited Common Elements allocated solely to the Owner’s Unit as required or recommended under the Owner Maintenance Manual and otherwise for deterioration, wear and damage requiring maintenance, replacement or repair and perform Repair Work as necessary.

Notwithstanding the foregoing, the Association may, but shall not be obligated to, maintain storage areas, exterior patios, balconies, decks, stairways, Parking Spaces, carports and other exterior portions of the Building (including, without limitation, the exterior of the exterior walls of the relevant Building), even if such portions are Limited Common Elements, and all costs incurred by the Association in that regard shall be charged to the Owners of the Units to which such Limited Common Elements are attached. An Owner shall otherwise do no act or any work that will affect the Common Elements or impair the structural soundness or integrity of the Common Elements or impair any easement. No damage to, or waste of, the Common Elements, or any part thereof, or any other Unit, shall be committed by any Owner or shall occur as a result of the construction, operation, use, repair, or replacement of Improvements within such Owner's Unit or constructed by or on behalf of such Owner in or upon any of the Common Elements. Each Owner shall indemnify and hold the Association and the other Owners harmless from and against all loss and damage resulting from: (a) any action or activities committed by such Owner or such Owner's Permittees over which it has contractual control; or (b) as a result of the construction, operation, use, repair, or replacement of Improvements within such Owner's Unit or constructed by or on behalf of such Owner in or upon any of the Common Elements in violation of this Section 11.1.

11.2 OWNER'S FAILURE TO MAINTAIN OR REPAIR. In the event that an Owner fails to maintain or conduct Repair Work as required by Section 11.1 above, or in the event that the Unit is damaged or destroyed by an event of casualty and the Owner does not take reasonable measures to diligently pursue the repair and reconstruction of those portions of the damaged or destroyed Unit for which the Owner is responsible to substantially the same condition in which they existed prior to the damage or destruction, then the Association, after notice to the Owner and with the approval of the Board (after a determination by the Board that the condition of such Unit or Limited Common Element negatively impacts the value or use of other Units within the Project) shall have the right to enter upon the Unit and/or Limited Common Element to perform such Repair Work as is reasonably required to restore the Unit and/or Limited Common Element to a condition of good order and repair, except that no advance approval from the Board shall be required in the event of an emergency. All costs incurred by the Association in connection with the Repair Work shall constitute a Default Assessment.

11.3 MAINTENANCE BY ASSOCIATION. The Association shall be responsible for all maintenance and Repair Work with respect to: (a) the General Common Elements; and (b) Limited Common Elements and other items of the Project that are not otherwise specifically required to be maintained by an Owner as set forth in this Declaration or identified on the Map (except as set forth in Section 11.1 above or unless necessitated by damage caused by the negligence, misuse or tortious act of an Owner or its Permittees as set forth in Section 11.7 below). The Association shall regularly inspect the General Common Elements, and Limited Common Elements and other items of the Project that are not otherwise specifically required to be maintained by an Owner as required or recommended under the Project Maintenance Manual and otherwise for deterioration, wear and damage requiring maintenance, replacement or repair and perform Repair Work as necessary. In addition, the Association shall have the right to perform Repair Work on any Unit the Owner of which has failed to rebuild as required pursuant to this Declaration, the cost of such Repair Work constituting a Default Assessment.

11.4 DECLARANT/CONTRACTOR INSPECTIONS. During the first three years following the formation of the Community, Contractor and Declarant may periodically perform a walk-through of the Project, including all Common Elements and all Units, to inspect the performance of the various building components utilized in and through the Project and in connection with the Contractor's

warranty. The Association and all Owners shall provide reasonable access to the Common Elements, including, among other Improvements, the roof, the mechanical rooms, the parking areas, amenity areas, decks, and storage room(s), and Units. The Declarant or Association shall give advance notice to the Owners of the date(s) and time(s) for such inspections. The purpose of such inspections is to observe performance of the building components, to detect potential problems, and to notify the proper subcontractors, designers or manufacturers of any defects prior to the expiration of the Contractor's warranty period, as well as generally ascertaining that the building components are performing as designed.

11.5 ASSOCIATION'S MAINTENANCE AS COMMON EXPENSES. The cost of Repair Work by the Association (net of any insurance proceeds paid thereon): (a) regarding the General Common Elements shall be a General Common Expense, to be shared by Owners according to their respective Expense Sharing Ratios for such Common Expense; and (b) regarding any Limited Common Elements shall be a Limited Common Expense to be shared by Owners according to their respective Limited Expense Sharing Ratios for such Limited Common Expense. Notwithstanding the foregoing, if such damage is caused by negligent or tortious acts of an Owner or its Permittees, then such Owner shall be responsible and liable for all of such damage and the cost of repairing and restoring the same, to the extent that Owner or its Permittees' negligence, misuse or tortious acts caused such damage, which must be timely paid as a Default Assessment.

11.6 LIMITED COMMON ELEMENT DAMAGE. In the event of damage or destruction of a Limited Common Element from any cause other than the negligence, misuse or tortious acts of an Owner or its Permittees, the then Owners of the Units to which the Limited Common Element is attributable shall bear the expense to repair or rebuild the Limited Common Element to its previous condition based on relative Limited Expense Sharing Ratios applicable to such Limited Common Element. An Owner shall bear the cost of repairing or replacing such damage to the extent it was caused by such Owner's or its Permittees' negligence, misuse or tortious acts.

11.7 OWNER'S NEGLIGENCE. Notwithstanding anything to the contrary contained in this Declaration, in the event any damage to, destruction of or the need for Repair Work to the Common Elements, or any portion thereof, is caused through or by the negligent or willful act or omission of an Owner or its Permittees, or as a result of any improvement constructed by an Owner in or upon the Common Elements or within such Owner's Unit (with a determination of negligence or willful act or omission, and the amount of the Owner's liability therefor, having been made by the Board after a hearing with notice to the Owner), then the expenses, costs and fees incurred by the Association for such Repair Work shall constitute a Default Assessment of such Owner.

11.8 BOARD CONSENT REQUIRED. In performing Repair Work as required herein, no Owner shall make any addition or other alteration to any portion of the Common Elements, regardless of how minor, without the express written consent of the Board.

11.9 UTILITIES FOR UNITS. Each Owner shall contract directly with each provider of utility service providing service to or for benefit of the Owner's Unit except for water, sewer, and trash (including recycling). For water, sewer and trash and in the event that any other utility service is not separately metered or is otherwise not separately provided to Units, and is, instead, obtained for the Unit(s) by the Association, the Association will allocate the costs of such service to the Unit(s) receiving the service based upon reasonable estimates of use, if reasonably feasible, pro rata based upon Expense Sharing Ratios or the number of Units involved or as otherwise may be reasonable and

appropriate under the circumstances. In the event an Owner fails to pay to the Association any utility costs as allocated by the Association within ten (10) days from receipt of the billing therefor, such Owner shall be liable to the Association for the cost of the utilities as well as any late payment charges incurred by the Association as a result of the Owner's failure to pay the Association, and the Association shall be entitled to recover such amounts from the Owner in the same manner as any other debts owed to the Association and charge such Owner responsible as a Default Assessment.

ARTICLE 12 MECHANIC'S LIENS

12.1 NO LIABILITY. No labor or service performed or materials or products furnished and incorporated in a Unit shall be the basis for the filing of a lien against the Unit of any other Owner not expressly consenting to or requesting the work or against the Common Elements. All such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, subcontractors, laborers, materialmen and other persons furnishing labor or materials to its Unit.

12.2 INDEMNIFICATION. To the fullest extent permitted by law, each Owner shall indemnify, defend and hold harmless each of the other Owners, Managing Agent and the Association from and against all liability or loss, including reasonable attorneys' fees, arising from the claim of any lien against the Unit of any other Owner or against the Common Elements (whether or not such lien or order is valid or enforceable as such) for construction performed or for labor, materials, services, or equipment supplied in connection with Improvements, repair or maintenance to the indemnifying Owner's Unit. In the event that any contractor, subcontractor, materialman, laborer, or any other person or entity files a mechanics' or similar type of lien that burdens or encumbers any portion of the Common Elements (except that undivided interest allocable to the Owner's Unit), or any other Unit not wholly owned by the Owner of the Unit in which such labor, materials, services, or products are incorporated, the Owner of the Unit in which such work was incorporated shall, within thirty (30) days of the filing of such lien of record, either have such lien removed or post a bond for the benefit of the Association and affected Owners in an amount not less than 150% of the amount claimed by any such person or entity claiming such lien. Such bond shall be sufficient to satisfy the requirements of Colo. Rev. Stat. § 38-22-132 (or any successor provision) to remove the lien from the real property.

12.3 ASSOCIATION ACTION. Labor performed or materials furnished for the Common Elements, if duly authorized by the Association in accordance with this Declaration or the Bylaws, shall be the basis for the filing of a lien pursuant to law against the Common Elements. Any such lien shall be limited to the Common Elements and no lien shall attach to or be enforceable against an individual Unit or Units.

ARTICLE 13 RESTRICTIVE COVENANTS

13.1 COMPLIANCE WITH LAWS. Each Owner shall comply with all applicable laws, ordinances, codes, order, and regulations of all governmental bodies having jurisdiction over the Project. Nothing shall be done or kept in any Unit or in or on the Common Elements, or any part thereof, that would be in violation of any statute, rule, ordinance, regulation, permit, or other imposed requirement of any governmental body having jurisdiction over the same.

13.2 **COMPLIANCE WITH ASSOCIATION DOCUMENTS.** Each Owner shall comply strictly with, and shall require his or her Permittees to comply strictly with, all of the provisions of this Declaration, the Articles and the Bylaws, the Rules, the Policies, the Design Guidelines, if any, and the decisions and resolutions of the Association or the Board adopted pursuant thereto, as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief or both, maintainable by the Board in the name of the Association on behalf of the Owners, or in a proper case, by an aggrieved Owner.

13.3 **MOUNTAIN VILLAGE DEED RESTRICTION.** In addition to the restrictions on use and occupancy set forth above, each Unit is also subject to an Affordable Housing Deed Restriction (the "**Deed Restriction**") with the Town of Mountain Village Housing Authority ("**MVHA**") pursuant to which the occupancy, use and resale of the Units are restricted. The Deed Restriction provides that the Units shall be subject to the 2006 Affordable Housing Restriction and certain Guidelines adopted by the MVHA from time to time. Enforcement and modification of the Deed Restriction is a matter between the Owners of Units and the MVHA.

13.4 **PROPERTY TO BE MAINTAINED.** Each Owner shall at all times maintain its Unit in a manner consistent with the standard of first- class residential real estate properties of comparable size in the Town. No trash, litter, junk, boxes, containers, bottles, cans, implements, machinery, lumber or other building materials shall be permitted to remain exposed upon any Units so that same are visible from any neighboring Unit or street, except as necessary during any period of construction. No unsightliness or waste shall be permitted on or in any part of a Unit.

13.5 **NO NUISANCES, OFFENSIVE, HAZARDOUS, OR ANNOYING ACTIVITIES.** No nuisances or offensive activity shall be permitted on any part of the Project nor shall anything be done or placed on or in any part of the Project that is or may become a nuisance or cause unreasonable embarrassment, disturbance, or annoyance to others. No activity shall be conducted on any part of the Project that is or might be unreasonably unsafe or hazardous to any person or property. No sound shall be emitted on any part of the Project that is unreasonably loud or annoying. No odor shall be emitted on any part of the Project that is noxious or unreasonably offensive to others. Without limiting the generality of the foregoing, no firearms shall be discharged within any part of the Project (including the Units) and no open fires shall be lighted or permitted within the Project. Further, no Hazardous Materials or chemicals shall at any time be located, kept or stored in, on the Common Elements or in any Unit except such as may be contained in household products normally kept at homes for use of the residents thereof and in such limited quantities so as to not constitute a hazard or danger to person or property, provided that such products and substances are stored, used, transported and disposed of strictly in accordance with all applicable Environmental Laws. In no event shall the items set forth herein be deemed to be a complete list of nuisance or offensive activities prohibited hereunder, and the Board shall have the right to pursue prompt termination of any other nuisance or otherwise offensive activity carried on by an Owner in violation of the provisions hereof. As used herein, the term "nuisance" shall not include any activities of Declarant that are reasonably necessary to the development and construction of, and sales activities in, the Project.

13.6 **UTILITY SYSTEMS.** Each Unit's Utility systems shall be operated and maintained efficiently and in a manner that does not place undue operating, maintenance, repair or replacement costs on the mechanical and utility systems of another Unit or the Common Elements.

13.7 RESIDENTIAL PURPOSES. Units shall be used for residential purposes only, including uses that are customarily incident thereto and shall not be used at any time for business, commercial or professional purposes; provided, however, that an Owner may use his or her Unit for a professional or home occupation so long as the business is clearly secondary to the residential use of such Unit, the applicable zoning permits (including any home occupation requirements of the Town), such use, such use is lawful in nature, there is no external evidence thereof (by sight, sound, smell or otherwise), the business does not result in an undue volume of traffic or parking within the Community, as determined by the Board in its sole discretion from time to time, no unreasonable inconvenience to other residents of Units is created thereby, and the business conforms to any Rules that may be imposed by the Board from time to time on a uniform basis. In addition, notwithstanding the foregoing, any Managing Agent hired by the Association to manage the Project may also conduct such management activities from within a residential Unit.

13.8 DECLARANT'S USE. Notwithstanding anything to the contrary contained in this Declaration, it shall be expressly permissible and proper for Declarant, its employees, agents, contractors, assigns and representatives, to perform such reasonable activities, and to maintain upon portions of the Project such facilities as Declarant deems reasonably necessary, convenient or incidental to the completion and sale of the Units. Without limiting the generality of the foregoing, Declarant may maintain management offices, storage areas, signs, model units, sales offices, parking areas and lighting facilities. Declarant expressly reserves the right to locate any sales office, management office, or models within any Unit owned by Declarant and designated from time to time. The rights retained by Declarant in this Section 13.7 shall terminate upon conveyance by Declarant of all of the Units to Owners other than Declarant or twenty (20) years after the recording of this Declaration, whichever occurs first.

13.9 LEASING OF UNITS. Subject to the restrictions on leasing set forth in the Deed Restriction and the remaining provisions of this Section 13.9, an Owner shall have the right to lease its Unit (or a room located within its Unit) upon such terms and conditions as the Owner may deem advisable; provided, however, that (a) all leases shall be in writing and shall provide that the lease is subject to the terms of the Association Documents and a copy of the Association's Rules and Policies are provided to the lessee with the lease; (b) Units may be leased only for the residential uses provided herein; (c) any failure of a lessee to comply with the terms of this Declaration or any other Association Documents shall be a default under the lease enforceable by the Association as a third party beneficiary, whether or not the lease contains such a provision; and (d) any Owner who leases his or her Unit shall, within three days after the execution of such lease, forward a copy of the same to the Association. In order to assure Unit Owners of eligibility of the Project for any Agency financing, the Association may adopt Rules with respect to rental of Units to non-Owners.

13.10 USE OF COMMON ELEMENTS. Each Owner and Owner's Permittees may use the Limited Common Elements allocated to the Owner's Unit and the General Common Elements in accordance with the purpose for which they are intended. The Board may adopt Rules or Policies governing or restricting the use of the Common Elements. Each Owner and Owner's Permittees, by the Owner's acceptance of a deed or other instrument of conveyance or assignment to its Unit, agrees to be bound by any such adopted Rules or Policies. No Owner or its Permittees shall cause, or further, an obstruction of the Common Elements, nor, subject to anything in the Rules, shall anything be stored on any part of the Common Elements, without prior written consent of the Board. No maintenance, repair, rebuilding, dismantling, repainting or servicing of any kind of vehicle, trailer or boat may be

performed or conducted on any of the Property. Nothing shall be altered, constructed on, or removed from the Common Elements except upon the prior written consent of the Board.

13.11 PROHIBITION AGAINST TIMESHARING, HOUSE EXCHANGE AND RENTAL POOLS. No Owner of any Unit shall offer or sell any interest in such Unit under a “timesharing” or “interval ownership” plan, or any similar plan, nor shall a Unit be dedicated to an exchange program that provides for recurring occupancies by different persons for durations of less than one year. Rental pool and condominium hotel arrangements that allow an Owner to put his or her Unit into a rental pool for Declarant or the Association to rent out and collect income while an Owner is not living in the Unit are prohibited.

13.12 RESTRICTIONS CONCERNING PARKING AND VEHICLES.

13.12.1 *Parking Spaces.* All parking spaces within the Project may only be used for vehicular parking, bicycle parking and utility functions in accordance with applicable provisions of this Declaration and reasonable Rules (including parking stickers, other identification, fines and security measures) established from time to time by the Association.

13.12.2 *Abandoned or Stored Vehicles.* No abandoned or inoperable vehicle of any kind shall be stored or parked on any of the Common Elements. An “***abandoned or inoperable vehicle***” shall be defined as any vehicle that is not capable of being driven under its own propulsion or does not have current registration. Stored vehicles are also prohibited from being parked on the Project. For purposes hereof, a vehicle shall be considered “***stored***” if it remains on the Project without being driven for thirty (30) consecutive days or longer without prior written Board permission. Boats, trailers, snow mobiles, jet-skis and trailers for same, panel trucks, buses, trucks with a load capacity of one (1) ton or more, large recreational vehicles (Class A and Class C RVs and motor homes), are also prohibited from being parked on the Project, except in areas, if any, that may be designated by the Board as parking areas for particular types of vehicles. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the General Common Elements during normal business hours for the purpose of serving any Unit or Common Element; provided, however, that no such vehicle shall remain on the General Common Elements overnight or for any purpose unless prior written consent of the Board is first obtained.

13.12.3 *Right to Tow Vehicles.* If any vehicle is parked on any portion of the Project in violation of this subsection 13.12.1 or in violation of the Rules, the Board, Managing Agent or other agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed or booted. The notice shall include the name and telephone number of the person or entity that will do the towing or booting and the name and telephone number of a person to contact regarding the alleged violation. If twenty-four (24) hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six (6) months of such notice, the Board, Managing Agent or other agent of the Association may have the vehicle towed or booted in accordance with the notice, without further notice to the Owner or user of the vehicle. If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner’s exclusive Parking Space or Unit, is obstructing the flow of traffic, is parked in a Parking Space that has been assigned as exclusively serving another Unit, or otherwise creates a hazardous condition, no notice shall be required and the Board, Managing Agent or other agent of the Association may have the vehicle towed immediately. If a vehicle is towed in accordance with this subsection 13.12.3,

neither the Association nor the Managing Agent nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to tow or boot.

13.13 RULES AND REGULATIONS. In addition to the other restrictions set forth in this Article 13 and the Rules adopted by the Board from time to time, the Unit Owners shall also comply with the following rules and regulations:

13.13.1 Household Pets. Household pets (meaning cats, dogs, hamsters, songbirds, aquarium fish and similar animals commonly owned as pets) are permitted in the Units, provided that (i) no more than two dogs and/or two cats (but limited to a combined total of three pets per Unit) may be kept in a Unit, except that a reasonable number of other generally recognized household pets, as determined in the Board's sole discretion, weighing less than two (2) pounds each (including by way of illustration, but not limitation, fish, gerbils and small birds) may be kept in a Unit, (ii) each Owner of a household pet shall clean up after such pet and ensure that such pet does not damage or soil the Common Elements, (iii) pets shall not be permitted anywhere in the Community other than within Units and those Common Elements necessary to provide ingress and egress to and from Units (e.g., hallways and stairways); and (iv) the Association (or the Board) shall have the authority to promulgate reasonable regulations regarding the keeping of pets in a Unit, including regulations regarding the type/species and size of pets permissible, and procedures regarding resolution of nuisance claims by Owners regarding pets. Such regulations may supplement, but not supersede the provisions set forth in this Section 13.13.1. Notwithstanding the foregoing, invitees and visitors of Owners are expressly prohibited from having household pets in the Units or anywhere within the Community. In addition, no fish tank more than thirty (30) gallons in size shall be installed, kept, or used in a Unit without the prior approval of the Board. An Owner of a Unit containing pets shall be responsible for all claims, damages, costs and expenses incurred by the Association (or any other Unit Owner) as a result of the pet(s) contained or residing in such Unit.

13.13.2 Damage to Property. If, due to the act or neglect of an Owner or Owner's Permittees, loss or damage shall occur or be caused to any person or property other than such Owner's Unit, such Owner or Owner's Permittees shall be liable and responsible for the payment of same. The amount of such loss or damages and any costs incurred by the Association in connection with the enforcement of the Association's rights shall be subject to all of the Association's rights with respect to the collection and enforcement of assessments as provided in this Declaration. Without limiting the generality of the foregoing, this includes any damage caused by the installation of Solar Improvements by an Owner.

13.13.3 Rubbish, Trash, and Garbage. All rubbish, trash, garbage or other refuse and recycling (collectively, "**Trash**") shall be kept in a fully enclosed area. Trash shall be regularly removed from the Unit and shall not be allowed to accumulate therein. Each Unit at all times shall be kept in a clean, sightly and wholesome condition. No Trash shall be placed on the Common Elements outside the Unit, temporarily or otherwise, and shall be moved to the Project trash facilities for collection or otherwise removed from the Project by an Owner or its Permittees. The Board may require any Owner to arrange for trash removal of excessive amounts of Trash.

13.13.4 Satellite Dishes. All satellite dishes, satellites and devices or facilities to transmit or receive electronic signals, radio or television waves are prohibited outside a Unit or a

Limited Common Element under the exclusive control of an Owner unless first approved by the Board in conformance with applicable local ordinances and federal law.

13.13.5 *Life Safety, Snow Management, or Cold Weather Management Systems.* Owners and Permittees shall not tamper with or disengage any portion of the life-safety, snow management or cold weather management (e.g. heat tape) systems that serve the Project, and all fire control devices (such as smoke detectors and call boxes), regardless of whether such items are located within the boundaries of a Unit.

13.13.6 *American Flags, Service Flags and Political Signs.* American flags, service flags and political signs shall be permitted within the Community in accordance with the requirements of Section 106.5 of the Act.

13.13.7 *Noise.* Alteration, penetration or attachment of fixtures to the interior walls or ceiling of a Unit could result in degradation of the designed noise attenuation between Units. Therefore, no alteration, penetration (such as recessed lights) or attachment of fixtures (other than standard picture wall hanging hooks or brackets) may be made to the interior surfaces of Unit walls or ceilings without the prior written approval of the Board.

13.14 **ADDITIONAL RESTRICTIONS.** In addition to the restrictions on use and occupancy set forth above, the Association shall have and may exercise the right to control Owners' use and occupancy of their respective Units and the Common Elements in any reasonable and lawful manner approved by the Board, including the promulgation of Rules.

ARTICLE 14 DAMAGE OR DESTRUCTION

14.1 **ASSOCIATION AS ATTORNEY-IN-FACT.** For the purpose of providing for the Common Elements, each Owner hereby irrevocably appoints the Association as the Owner's true and lawful attorney-in-fact for the purposes of: (a) granting easements pursuant to the Association's authority to do so, as provided herein; (b) purchasing and maintaining insurance required to be maintained by the Association pursuant to Article 10, including the collection and appropriate disposition of the proceeds thereof, the negotiation and settlement of losses and execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to purchase and maintain such insurance, as well as dealing with any Improvements covered by insurance written in the name of the Association pursuant to Article 10 upon their damage or destruction as provided in this Article 14; and (c) negotiating and dealing with any authority having the power of condemnation or eminent domain relating to a complete or partial taking as provided in Article 15 below. Acceptance by a grantee of a deed or other instrument of conveyance or any other instrument conveying any portion of the Property shall constitute appointment of the Association as the grantee's attorney-in-fact, and the Association shall have full authorization, right and power to make, execute and deliver any contract, assignment, deed, waiver or other instrument with respect to the interest of any Owner that may be necessary to exercise the powers granted to the Association pursuant to this Article 14.

14.2 **THE ROLE OF THE BOARD.** Except as otherwise provided in Section 10.4, in the event of damage to, or destruction of, all or part of any Improvement covered by insurance written in the name of the Association pursuant to Article 10, the Board shall arrange for and supervise the prompt

repair and restoration of the damaged property (the property insured by the Association pursuant to Article 10 is sometimes referred to as the “*Association-Insured Property*”).

14.3 ESTIMATE OF DAMAGES OR DESTRUCTION. As soon as practicable after an event causing damage to or destruction of any part of the Association-Insured Property, the Board shall obtain an estimate or estimates that it deems reliable and complete for the costs of repair and reconstruction. “Repair and reconstruction” or “repair and reconstruct” as used in this Article 14 shall mean restoring the damaged or destroyed Improvements (excluding any that are not to be rebuilt pursuant to Section 10.4) to substantially the same condition in which they existed prior to the damage or destruction. Such costs may also include professional fees and premiums for such bonds as the Board or the insurance trustee, if any, determines to be necessary.

14.4 REPAIR AND RECONSTRUCTION. As soon as practical after the damage occurs and any required estimates have been obtained, the Association shall diligently pursue to completion the repair and reconstruction of the damaged or destroyed Association-Insured Property. As attorney-in-fact for the Owners, the Association may take any and all necessary or appropriate action to effect repair and reconstruction of any damage to the Association-Insured Property, and no consent or other action by any Owner shall be necessary. Assessments of the Association shall not be abated during the period of insurance adjustments and repair and reconstruction.

14.5 DAMAGE OR DESTRUCTION TO UNITS. Subject to the availability and sufficiency of insurance proceeds for such purpose, and subject to the Association completing Repair Work to associated Association-Insured Property, any portion of a Unit for which insurance is required to be carried hereunder and that is damaged or destroyed must be repaired and reconstructed promptly by the Owner or Owners of the damaged or destroyed Unit unless:

- (a) the common interest community created by this Declaration is terminated in accordance with Section 19.2 below;
- (b) repair or reconstruction would be illegal pursuant to any state or local statute or ordinance governing health or safety;
- (c) there is an affirmative vote not to rebuild by: (i) the Requisite Percentage of the Owners and First Mortgagees; (ii) every Owner of a Unit (or a Limited Common Element allocated to such Unit) that will not be rebuilt; and (iii) every Owner of a Unit that depends for structural support on the damaged or destroyed Unit; or
- (d) prior to the conveyance of any Unit to a person other than Declarant, the Mortgagee holding a Mortgage on the damaged portion of the Unit rightfully demands all or a substantial part of the insurance proceeds.

14.6 INSUFFICIENT INSURANCE PROCEEDS. If the insurance proceeds are insufficient to repair and reconstruct the damaged or destroyed Improvements, the Owners may elect, by affirmative vote as provided in Section 14.5(c) above, to: (a) repair and reconstruct only so much of such damage or destruction of the damaged or destroyed Units or Common Elements as the amount of insurance proceeds will permit; or (b) take such other action as such Owners may approve.

14.7 ASSOCIATION REMEDIES. In the event an Owner fails to repair or reconstruct all or any portion of the Project for which such Owner is responsible to its condition immediately prior to its damage, destruction or partial condemnation pursuant to the requirements of this Article 14 or Article 15, the Association shall have the following remedies (in addition to any other remedies available to the Association or the Owners at law or in equity): (a) rebuild the affected portion of the Project to its condition immediately prior to its damage; or (b) subject to prior written approval of the non-defaulting Owners and their First Mortgagees, rebuild only that portion of the Project within the defaulting Owner's Unit (and any allotted Common Elements) necessary or appropriate to permit the reconstruction, use, and operation of the other Owners' Units (including rebuilding the Utilities that are necessary or appropriate for the continued operation of the other Units). The Association shall not exercise its remedies unless an Owner has failed to provide the Association with adequate assurances that the Owner will commence rebuilding as required by this Section 14.7 within thirty (30) days after notice from the Association.

ARTICLE 15 CONDEMNATION

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

15.2 PARTIAL CONDEMNATION; DISTRIBUTION OF AWARD: RECONSTRUCTION. The award made for such taking shall be payable to the Association for the benefit of the Owners and Mortgagees and, unless otherwise required by the Act, the award shall be disbursed as set forth, as follows:

(a) if the taking involves a portion of the Common Elements on which Improvements have been constructed, then, unless within sixty (60) days after such taking, Owners who hold at least sixty-seven percent (67%) of the Voting Interests, and Declarant during the Period of Declarant Control, shall otherwise agree, the Association shall restore or replace such Improvements so taken on the remaining land included in the Common Elements to the extent lands are available for such restoration or replacement in accordance with plans approved by the Board (and if such Improvements are to be repaired or restored, the provisions in Article 10 above regarding the disbursement of funds with respect to casualty damage or destruction that is to be repaired shall apply); and

(b) if the taking does not involve any Improvements on the Common Elements, if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be retained by the Association to augment its working capital reserves or to offset future expenses of the Association.

15.3 COMPLETE CONDEMNATION. If all of the Property is taken, condemned, sold or otherwise disposed of in lieu of or in avoidance of condemnation, then the common interest community created by this Declaration shall terminate, and the portion of the condemnation award attributable to

the Common Elements shall be distributed as provided in the Nonprofit Act upon liquidation of the Association.

ARTICLE 16

RESERVED DEVELOPMENT AND SPECIAL DECLARANT RIGHTS

16.1 RESERVATION OF DEVELOPMENT RIGHTS. Provided Declarant complies with all requirements of the Town associated with such rights, Declarant reserves the right for itself and any Successor Declarant at any time and from time to time to exercise the following Development Rights within the Project: (a) to create Units (subject to Section 4.9 above) and Common Elements (including General and Limited Common Elements); (b) to subdivide, re-subdivide or combine Units; (c) to convert Units into Common Elements; and (d) to allocate and reallocate Parking Spaces and Storage Areas as Limited Common Elements appurtenant to specific Units within the Community. Neither the Association nor any Owner may take any action or adopt any rule or restriction that will interfere with or diminish any Special Declarant Right, including any Development Right, without the prior written consent of the Declarant.

16.2 RESERVED DEVELOPMENT RIGHTS OF EXPANSION. Declarant reserves the right for itself and any Successor Declarant, without consent of the Association or any Owner or First Mortgagee being required, at any time and from time to time to subject additional property to the provisions of this Declaration.

16.3 OTHER RESERVED RIGHTS. Declarant also reserves the right for itself and any Successor Declarant, without consent of any Owner or First Mortgagee being required, at any time and from time to time to: (a) complete Improvements indicated on the plats and Map; (b) maintain and relocate sales offices, management offices, signs advertising the Project and models, of any size within one or more Units and within the Common Elements; (c) utilize Common Elements in connection with construction activities, provided that Declarant shall not unreasonably restrict or prohibit access to or utilization of an Owner's Unit or Limited Common Elements in connection with such construction activities; (d) merge or consolidate the Project with a common interest community of the same form of ownership; (e) appoint or remove any officer of the Association or any member of the Board during the Period of Declarant Control; (f) amend the Map to: (i) ensure that the language and all particulars used on the Map and contained in this Declaration are consistent; (ii) establish, vacate and relocate utility easements and access easements; (iii) establish, vacate and relocate Parking Spaces and Storage Areas, provided that if a Parking Space or Storage Areas has previously been allocated as a Limited Common Element to a particular Unit, the consent of the Owner and any First Mortgagee holding a lien encumbering any portion of such Unit shall be required in connection with the vacation or relocation of such Parking Space or Storage Area; (iv) establish certain Common Elements as Limited Common Elements in accordance with requirements set forth in the Act; (v) reflect the subdivision or combination of any Unit as provided by this Declaration; and (vi) as may be otherwise permitted by the Act; and (g) exercise any other Special Declarant Rights provided for in this Declaration.

16.4 CHANGE IN EXPENSE SHARING RATIOS. In the event Declarant or a Successor Declarant exercises the right to convert, subdivide, resubdivide, or combine Units as set forth above, the Expense Sharing Ratios of the resulting Units after such conversion, subdivision or combination shall be adjusted according to the formulas set forth in Section 9.2 above.

16.5 **TERMINATION OF RIGHTS.** Except for such longer period as is specifically set forth and provided in this Declaration, all Special Declarant Rights shall expire on the earlier to occur of: (a) the conveyance of the last Unit to an Owner who is not Declarant or a Successor Declarant; or (b) twenty (20) years from the date of recording this Declaration with the Clerk and Recorder, unless such rights are: (i) extended as allowed by law; or (ii) reinstated or extended by the Association, subject to whatever terms, conditions and limitations the Board may impose on the subsequent exercise of the rights by Declarant. Further, Declarant reserves the right, at any time, and from time to time, to surrender or terminate some or all of the Special Declarant Rights by recording a statement to that effect with the Clerk and Recorder. Notwithstanding the termination of the rights reserved to Declarant as provided herein, Declarant or a related party may continue to own Units in the Project. By virtue of such ownership, Declarant may continue to influence and impact operation of the Association through the exercise of its voting rights, including election of Board members and the possible appointment of persons related to Declarant to committees of the Board.

ARTICLE 17

ALTERATIONS, ADDITIONS OR IMPROVEMENTS TO COMMON ELEMENTS

17.1 ALTERATIONS, ADDITIONS OR IMPROVEMENTS .

17.1.1 Common Elements. Other than alterations, additions or improvements made by Declarant, no alteration, addition or improvement to the Common Elements of any kind (including change in color, texture, street number, signage, doors or windows), or that in any manner affect the Common Elements (including installation of air conditioning units, spas, fireplaces, built-in cabinetry, skylights, and moving or removing structural walls or columns), shall be made unless and until the Board has approved the same and Plans shall have been submitted to and approved by the Board. The installation of Solar Equipment shall be governed by Section 17.4 below. Declarant shall be exempt from any requirement to obtain any approvals pursuant to the provisions of this Article 17 until termination or expiration of Declarant's Special Declarant Rights pursuant to Section 16.5 above. Notwithstanding anything in this Section 17.1.1 to the contrary, an Owner may repaint or refinish the surface of any Common Element that is interior to that Unit.

17.1.2 Units. No Owner shall undertake any work in or around a Unit that would jeopardize the structural integrity, soundness, safety, or operation of any Unit, any Common Element or the Project or impair an easement thereon. In addition, no Owner shall undertake any work in or around a Unit that would jeopardize the water intrusion barriers or sound transmission coefficient rating of any wall assembly or partition within the Project. No Owner shall make any material modifications to the exterior of a Unit or to any Utilities that serve more than such Owner's Unit, until and unless Plans shall have been submitted to and approved by (a) the Board, (b) First Mortgagees, to the extent required by any First Mortgages encumbering affected Units, and (c) to the extent Town approval is required, the Town.

17.2 **GOVERNMENTAL APPROVAL.** If any application to any governmental authority for a permit to make any such alteration, addition or improvement requires execution by the Association, and provided that either: (a) approval has been given by the Board; or (b) such application is made by Declarant during the Period of Declarant Control, then the application shall be executed on behalf of the Association by an authorized officer of the Association, provided further that no liability shall arise on the part of the Board, the Association or any of them to any contractor, subcontractor or materialman

on account of such alteration, addition or improvement, or to any person having claim for injury to person or damage to property arising therefrom.

17.3 ARCHITECTURAL CONTROL.

17.3.1 *Architectural Review.* The Board shall be responsible for establishment and administration of architectural, design, window covering and or lighting guidelines (collectively, the “**Design Guidelines**”) and review and recommendations for approval, disapproval or approval with conditions of alterations or additions to Common Elements (whether General Common Elements or Limited Common Elements) or Units, as provided herein.

17.3.2 *Approval of Additions or Modifications .* The Plans shall be prepared by reputable architects and engineers experienced in the design of structures similar to the Project. The Board may refuse to approve any Plans that adversely affect another Unit, the Common Elements or the Project. In passing upon such Plans, the Board shall consider the suitability of the proposed improvement, the materials of which the proposed improvement is to be constructed, and the effect of the proposed improvements on the soundness, safety, operation, and value of the Project. All such projects shall be performed by reputable contractors experienced in the construction of structures similar to the improvements proposed. The contractors shall carry general liability insurance in such types and amounts as the Association reasonably determines and shall provide the Association with a certificate of insurance evidencing such insurance and naming the Association, Owners, and First Mortgagees as additional insureds. Each Owner shall obtain such other insurance during any period of construction covering such risks and in such amounts as is prudent under the circumstances, including builder’s risk insurance.

17.3.3 *Approval of Plans.* The Board shall vote to approve or disapprove Plans (including resubmission of disapproved Plans that have been revised) within sixty (60) days after submission of all required information. Any disapproval by the Board shall be in writing and shall set forth in reasonable detail the nature of the disapproval. If the Board fails to respond in such 60-day period, it shall be deemed to have approved the Plans. The costs and expenses incurred by the Board in obtaining professional review or assistance shall be borne by the Owner submitting Plans.

17.3.4 *Liability for Plans.* Neither the Association nor the Board shall be liable in damages to anyone submitting Plans for approval or to any Owner by reason of mistake in judgment, negligence, gross negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any Plans or in connection with the enforcement of the covenants contained in this Section 17.3. Every Owner who submits Plans for approval agrees that: (a) it will not bring any action or suit against the Association or the Board to recover damages in connection with the submission of such Plans for approval, whether such Plans are approved or disapproved; and (b) it will indemnify and hold harmless Association and Board in connection with any action or suit brought by a third party in connection with such Plans. Such indemnification will include all costs of defense. Approval by the Board shall not be deemed to constitute any representation or assurance of compliance with the requirements of any applicable laws, including local building codes; it shall be the sole responsibility of the Owner or other person submitting Plans to comply therewith.

17.4 SOLAR PANEL INSTALLATION.

17.4.1 *Easement for Solar Equipment.* It is the Declarant’s intention to permit the installation of solar energy generating equipment, including, but not limited to solar panels, supports

and joists to hold the solar panels, electrical distribution, collection, transmission and communications lines, electrical panels and junction boxes (“**Solar Equipment**”) upon the roofs of Buildings within the Project. The Owner who installs any Solar Equipment (“**Benefitted Owner**”) shall have an easement over and across those portions of the Common Elements reasonably necessary to operate, access, monitor, repair, replace, reconstruct, maintain and remove the Solar Equipment, provided that the installation of the Solar Equipment shall be made pursuant to Plans approved by the Board in accordance with Section 17.3 above. The Benefitted Owner, however, shall use reasonable efforts to minimize the impacts to all other Owners within the Building.

17.4.2 *Maintenance of Solar Equipment.* The Benefitted Owner shall maintain and operate the Solar Equipment in compliance with all federal, state and local laws and regulations, and at the Benefitted Owner’s sole cost and expense. The Benefitted Owner shall keep the Building free and clear of all liens and claims of liens for labor and services performed on, and materials, supplies, or equipment furnished to the Solar Equipment. Unit Owners acknowledge that power generation technology is improving at a rapid rate and the Benefitted Owner from time to time may (but shall not be obligated to) replace or repair Solar Equipment on a Building roof with newer (and potentially smaller) models and types of Solar Equipment.

17.4.3 *Ancillary Easements.* In addition to the easement granted above, the following easements are also granted in favor of the Benefitted Owner’s Unit: (1) a non-exclusive easement to capture, use and convert the unobstructed flow of sunlight over and across that portion of the roof where the Solar Equipment is located; and (2) an easement for any electromagnetic, audio, visual, view, light, noise, vibration, electrical, radio interference, or other effects arising from the Solar Equipment.

17.4.4 *Benefits of Easement and Ownership of Solar Equipment.* The Benefitted Owner shall be the sole owner of the Solar Equipment and shall derive all benefit therefrom, including generation of power or financial benefit.

17.4.5 *Taxes.* The Benefitted Owner shall pay all taxes, assessments, or other governmental charges, general and specific, including possessory interest real estate taxes (“Taxes”), that shall or may during the Term be imposed on, or arise in connection with its Solar Equipment, and the Owners within the Building agree to reasonably cooperate to update county tax records to ensure that the Benefitted Owner receives tax assessments and bills associated with the Solar Equipment. In the event any Taxes arising from Solar Equipment installed on the roof are assessed against other Owners, the Benefitted Owner shall reimburse the Owners for such Taxes within thirty (30) days of receipt of the notice of the payment of such Taxes.

17.4.6 *Insurance.* The Benefitted Owner shall, at its expense, be responsible for maintaining insurance coverages as would be customary and reasonable for similarly situated properties with Solar Equipment, including, without limitation, adequate coverage to cover any personal injuries or accidents that could reasonably be expected as a direct result of the Solar Equipment being located upon the roof. If requested by the Association, the Association shall be named as an additional insured on all of the Benefitted Owner’s insurance certificates related to the Solar Equipment.

17.4.7 *Termination.* The easement for the Solar Equipment shall remain in place until the Solar Equipment is removed or abandoned by the Benefitted Owner, or when terminated in a

written document signed by the Benefitted Owner and the Association. If the easement created herein is terminated in accordance with this Section, the Benefitted Owner shall be responsible for the costs of removing the Solar Equipment from the roof and returning the roof to a condition substantially similar to that would exist if the Solar Equipment had not been installed.

17.5 ASSOCIATION RIGHT TO REMOVE UNAUTHORIZED ALTERATIONS, ADDITIONS OR IMPROVEMENTS. The Association, upon the majority approval by the Board and after reasonable notice to the Owner of the offending Unit, may remove any alterations, additions or Improvements constructed, reconstructed, refinished, altered, or maintained in violation of this Declaration, and the Owner shall immediately reimburse the Association for all expenses incurred in connection with such removal.

ARTICLE 18 MORTGAGEE'S RIGHTS

The following provisions are for the benefit of Agencies and holders, insurers or guarantors of First Mortgages. To the extent permitted by Colorado law and as applicable, necessary or proper, the provisions of this Article apply to this Declaration, the Articles, Bylaws, the Rules, the Design Guidelines and the Policies of the Association.

18.1 TITLE TAKEN BY FIRST MORTGAGEE. Any First Mortgagee of record against a Unit that obtains title to a Unit pursuant to remedies exercised in enforcing the Mortgage, including foreclosure of the Mortgage or acceptance of a deed in lieu of foreclosure, will be liable for all Assessments due and payable from and after the date title to the Unit is acquired.

18.2 DISTRIBUTION OF INSURANCE OR CONDEMNATION PROCEEDS. To the extent any insurance proceeds or condemnation awards are to be distributed among Owners of Units (as opposed to being paid to the Association or a trust designated by the Association) for losses to, or taking of, all or part of any such Units or the Common Elements, neither the Owner nor any other person shall take priority in receiving the distribution over the right of any First Mortgagee against the Unit as to which such distribution is made.

18.3 RIGHT TO PAY TAXES AND CHARGES. First Mortgagees may, jointly or severally, pay taxes or other charges that are in default and that may or have become a charge against any Common Elements, and may pay overdue premiums on insurance policies, or secure new hazard insurance coverage on the lapse of a policy for such Common Elements, and First Mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

18.4 FINANCIAL STATEMENT. Upon written request from any Agency or First Mortgagee, the Association shall deliver to such Agency or First Mortgagee a copy of the most recent financial statement of the Association for the immediately preceding fiscal year at the expense of such Agency or First Mortgagee. If an audited financial statement is unavailable, the First Mortgagee or Agency may have one prepared at its expense.

18.5 NOTICE OF ACTION. Any First Mortgagee and any Agency that holds, insures or guarantees a First Mortgage, upon written request to the Association (which request shall include the

First Mortgagee's or Agency's name and address and the subject Unit's identifying number), will be entitled to timely written notice of:

(a) if affecting the subject Unit, any proposed amendment of the Association Documents effecting a change in: (a) the boundaries of any Unit or the exclusive easement rights appertaining thereto; (b) the interest in the Common Elements allocated to the Unit (excluding changes resulting from the exercise of Special Declarant Rights) or the liability of Assessments relating thereto; (c) the number of votes in the Association relating to any Unit; or (d) the purposes to which any Unit or the Common Elements are restricted;

(b) any amendment set forth in Sections 19.3 below;

(c) any proposed termination of the common interest community;

(d) any condemnation loss or any casualty loss that affects a material portion of the Project or that affects any Unit on which such First Mortgagee or Agency holds, insures or guarantees a First Mortgage;

(e) any delinquency in the payment of Assessments owed by an Owner of a Unit subject to a Mortgage when such delinquency has continued for a period of sixty (60) days;

(f) any lapse, cancellation or material modification of any casualty insurance policy maintained by the Association pursuant to Article 10; and

(g) any proposed action that requires the consent of a specified percentage of Mortgagees.

18.6 ACTION BY MORTGAGEE. If this Declaration or the Association Documents require the approval of any Agency or Mortgagees then, if any Agency or Mortgagee fails to respond to any written proposal for such approval within sixty (60) days after such Agency or Mortgagee receives proper notice of the proposal (or such longer time as may be set forth in the notice), such Agency or Mortgagee shall be deemed to have approved such proposal, provided that the notice was delivered to the Agency or Mortgagee by certified or registered mail, return receipt requested.

ARTICLE 19

DURATION OF COVENANTS AND AMENDMENT

19.1 TERM. The covenants and restrictions of this Declaration shall run with and bind the land in perpetuity, subject to the provisions of applicable law and as set forth in Section 19.2 below.

19.2 TERMINATION. By vote or agreement of (a) Owners holding sixty-seven percent (67%) or more of the Voting Interests; and (b) First Mortgagees holding mortgages on sixty-seven percent (67%) or more of the Units encumbered by mortgages, Owners may vote that the Units are obsolete and that the Project should be terminated. In such instance, the Association shall record a notice setting forth such fact or facts signed by the relevant Owners and Mortgagees, and upon the recording of such notice (the date of such recording referred to as the "***Termination Date***"), the entire premises shall thereafter be free and clear of the provisions contained in this Declaration, the Map and the Association Documents. Promptly following the Termination Date, the Association shall proceed

to liquidate and distribute its assets and Common Elements to the Owners according to the procedure set forth in the Act and the Nonprofit Act.

19.3 AMENDMENT.

19.3.1 Except as otherwise provided in this Declaration, this Declaration, or any provision herein, may be amended at any time by vote or agreement of Owners holding sixty-seven percent (67%) or more of the Voting Interests, provided that approval by the Requisite Percentage of Owners and First Mortgagees shall be required if the amendment to the Association Documents adds or deletes any material provisions that establish, provide for, govern or regulate any of the following:

- (a) reserves for maintenance or repair and replacement of the Common Elements;
- (b) Hazard Insurance or fidelity insurance requirements;
- (c) responsibility for maintenance and repair of the Project;
- (d) expansion or contraction of the common interest community, or the addition, annexation or withdrawal of property to or from the common interest community other than as set forth in this Declaration;
- (e) boundaries of any Unit, except to the extent related to the exercise of a Special Declarant Right;
- (f) convertibility of Units into Common Elements, except as provided herein;
- (g) imposition of any right of first refusal or similar restriction on the right of an Owner to sell, transfer, or otherwise convey its Unit;
- (h) establishment of self-management by the Association where professional management has been required by any Agency or First Mortgagee;
- (i) any provision that is for the express benefit of an Agency or First Mortgagee regardless of whether the amendment is material; and
- (j) restoration or repair of the common interest community (after damage or partial condemnation) other than as specified herein.

19.3.2 Approval by the Requisite Percentage of Owners and First Mortgagees shall be required if the amendment to the Association Document adds or deletes any material provisions that establish, provide for, govern or regulate any of the following:

- (a) voting;
- (b) an increase in General Assessments by more than twenty-five percent (25%) of the previously assessed amount, Assessment liens or subordination of such liens;

(c) reallocation of Expense Sharing Ratios, or rights to use or control the Common Elements other than as provided herein; and

(d) imposition of any restrictions on the leasing of Units other than the restrictions set forth herein or as otherwise required by applicable laws, ordinances, codes, order, or regulations of any governmental body having jurisdiction over the Project.

19.4 **EXECUTION OF AMENDMENT.** Any amendment must be executed by the President of the Association and recorded, and approval of such amendment may be shown by attaching a certificate of the Secretary of the Association to the recorded instrument certifying the approval of a sufficient number of Owners of the amendment. Notwithstanding the foregoing, Declarant, acting alone, reserves to itself the right and power to modify and amend this Declaration and the Map to the fullest extent permitted by this Declaration and the Act.

ARTICLE 20 INDEMNIFICATION

To the extent: (a) permitted by applicable law; and (b) not covered by the insurance required pursuant to Article 10 above, each Owner (“**Indemnifying Owner**”), by taking title to a Unit, is hereby deemed to covenant to indemnify, defend, and hold harmless the Association, each other Owner, its First Mortgagee, and each of their respective partners, officers, directors, shareholders, members, managers, employees, and agents (each, an “**Indemnified Party**”) from and against any and all claims, actions, damages, liabilities and demands asserted by third persons (other than Indemnified Parties), including those for loss of life, personal injury and property damage, occasioned by or arising directly or indirectly, out of or in connection with the use, occupancy, operation, management or ownership (as applicable) by such Owner, or any of its Permittees over which it has contractual control, of its Unit or the Limited Common Elements or easement areas associated with such Unit, or the failure of such Owner to perform any obligation with respect to those Limited Common Elements or easement areas associated with such Owner’s Unit that such Owner is required to operate, maintain, and/or repair pursuant to the terms of this Declaration. An Indemnified Party shall provide the Indemnifying Owner with prompt notice of any claim or other matter for which the Indemnified Party may seek indemnity pursuant to this Article; provided, however, that the failure to provide such notice shall relieve the Indemnifying Owner of its indemnity obligations only to the extent that the Indemnifying Owner is damaged or prejudiced by such failure. The Indemnifying Owner or its covering insurer shall defend the Indemnified Party with respect to any such claim at the Indemnifying Owner’s expense, with attorneys selected by the Indemnifying Owner who may also represent the Indemnifying Owner. If the Indemnified Party retains separate attorneys for its defense, it shall do so at its own expense. The Indemnifying Owner shall have sole right to conduct such defense (including decisions concerning the forum) and settle any claim, suit, proceeding, or other matter brought by the third party, provided that the Indemnified Party is released from any liability with respect to such claim. The Indemnified Party shall cooperate with the Indemnifying Owner in the defense of any claim, including the provision of documents and witnesses.

ARTICLE 21 ENVIRONMENTAL PROVISIONS

If any discharge, emission, or disposal of Hazardous Materials solely and directly attributable to any action or inaction by an Owner or its Permittees over which it has contractual control occurs with respect to the Project, such Owner shall, at its sole cost and expense, cause the cleanup and remediation of any such discharge, emission or disposal of Hazardous Materials, if required by Environmental Laws in effect at such time. To the extent practical, such remediation shall not unreasonably interfere with the Owner's or its Permittees' use or occupancy of the affected Unit, the other Units or Common Elements.

ARTICLE 22 SPECIAL TAXING DISTRICTS

SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAX TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

ARTICLE 23 OWNER ACKNOWLEDGEMENTS

Each Owner, by purchasing a Unit, acknowledges, covenants and agrees that Owner has been made aware of the following matters affecting the Community and the Property and Owner's use and enjoyment thereof and accepts those matters as known conditions affecting the Unit:

23.1 DECKS (USE AND CONSTRUCTION). Owner acknowledges that the Limited Common Element allocated to its Unit as a deck, if any, has been constructed with concrete, which will crack and settle over time. Non-structural cracks, exposed aggregate, imperfections, fissures and other concrete finish variability are normal and Owner accepts that condition. Owner further acknowledges that use of the deck by Owner, including use of grills, patio furniture and clothes drying devices, is restricted as provided in the Rules adopted hereunder.

23.2 NATURAL MATERIALS; CONCRETE, FLOORS, CABINETRY, GRANITE, TILE AND CEILINGS. Owner acknowledges that the Unit and/or Common Elements contain natural materials that will vary in color, consistency and finish, and that these inconsistencies are inherent in natural materials. These inconsistencies are inherent and expected in columns, floors, cabinetry, granite, tile and ceilings throughout the Project, including areas within the Unit and Limited Common Elements allocated to a Unit. In addition, the Unit and/or Common Elements (including Limited Common Elements allocated to a Unit) have been constructed with concrete that will crack and settle over time. Non-structural cracks (including any hairline cracks that may exist in the concrete of the attached garages), exposed aggregate, imperfections, patches, blemishes, fissures and other concrete finish variability are normal, and Owner agrees that all such conditions are acceptable to Owner. Owner

further acknowledges that window systems contract and expand as the weather warms and cools, which may result in “popping” noises. Owner acknowledges that such noises shall not constitute an interference or disruption to the use and quiet enjoyment of the Unit.

23.3 NOISE TRANSMISSION. Floor surface materials, particularly hardwood, concrete, and tile, within a Unit may transmit noise to other Units. Such noise is consistent with proper uses of a Unit, does not constitute a disruption to the use and quiet enjoyment of a Unit, and is accepted by Owner as an anticipated aspect of living in a Unit. Owner acknowledges that no representation has been made by Declarant or Association, or by agents, brokers or other representatives of Declarant or Association, that any Unit is or will be soundproof or that sound will not be transmitted from one Unit to another.

23.4 SMOKING. Owner acknowledges that smoking is permitted only within individual Units. Smoking is prohibited in and around all Common Elements, including hallways, lobby, Parking Spaces, Storage Areas and balconies or decks allocated as Limited Common Elements to individual Units. Owners who smoke within a Unit must keep their entry doors shut so as to not allow smoke to enter Common Elements.

23.5 ROOF. Owner acknowledges that snow will accumulate on portions of the roof system. In order to minimize water intrusion or penetration, it is necessary that Building roof systems, including the drainage system for same, be regularly maintained by parties responsible for such maintenance pursuant to this Declaration.

23.6 NO VIEW EASEMENT. There exists no easement or other right, express or implied, for the benefit of the Owner, the Unit, or the Project for light, view, or air contained in this Declaration, or any other binding agreement or instrument. Owner acknowledges that the view, light and air existing may be changed or eliminated by future events wholly outside the control of the Association.

23.7 WALLS AND COLUMNS. Owner acknowledges and agrees that, unless Owner has obtained the prior written approval of the Association, Owner may not penetrate the surfaces of perimeter walls or concrete columns or pillars located within the Unit for any reason. Owner acknowledges that such penetrations can damage the Unit or cause damage to another Unit.

23.8 WINDOWS. Owner acknowledges and agrees that Owner may not place any film on the surface of, or tint, any window surface in the Unit. Owner acknowledges and agrees that placing any film on the surface of, or tinting, any window will void any express or implied warranties resulting in loss and damage to the Association, the Project, and other Owners.

23.9 STORAGE AREAS. Each Owner and occupant of a Unit acknowledges that the Storage Areas may have support columns and other mechanical equipment located therein that may impact or affect the use and enjoyment of such Storage Areas.

23.10 CONDENSATION/HUMIDITY. The exterior window (and door) system is designed to mitigate the migration of cold from the outside environment to the interior of the Unit. In very cold conditions or in relatively high humidity within the Unit, condensation, frost, and ice may form on the windows, doors, or frames thereof, which moisture can cause various problems including damage to flooring, walls, and other property in contact with the moisture. Owner acknowledges and agrees that it is Owner’s responsibility to maintain the humidity and temperature within the Unit within levels

specified within the Owner Maintenance Manual and so as to avoid the formation of condensation on the windows.

23.11 **MOLD.** Mold, mildew, fungi and other microbiological organisms (collectively, “*Mold*”) are present in soil, air, building products and elsewhere in the environment. Mold can grow in various environments with moisture and organic materials such as building products. It is currently unclear whether, or the extent to which, Mold is a cause of potential health problems. Owner acknowledges that neither the Association nor Declarant is qualified or has undertaken to evaluate the role, if any, that Mold growth may have on indoor air quality. Owner acknowledges that there exists no representation or warranty, express or implied, regarding the current or future presence or absence of Mold in the Unit or any Common Elements in the vicinity of the Unit or in the Building. It is recommended that Owner, at its expense, perform such inspections as desired and consult with such experts or medical practitioners as desired regarding the occurrence and effects of Mold and the potential sensitivity Owner and Owner’s family members may have to Mold.

There is no practical way to eliminate all Mold from an indoor environment, but excessive Mold growth can be controlled by controlling moisture. When there is excessive moisture or water indoors, Mold growth can and will occur, particularly if the condition is not addressed. The Owner understands that the Owner is in a superior position to prevent Mold growth within the Unit or Limited Common Elements allocated to a Unit. As such, Owner agrees to maintain the Unit, including any Limited Common Elements allocated to the Unit, in such manner as to reduce the potential for Mold growth, including, without limitation, preventing and promptly repairing plumbing leaks, keeping dryer vents and fans clear and functioning, and controlling the humidity in the Unit to prevent condensation on windows and other surfaces. Owner agrees to perform periodic inspections of the Unit, including any Limited Common Elements allocated to the Unit, for the presence of Mold or conditions which may increase the likelihood of Mold growth and to monitor continually such areas for excessive moisture or water. If Owner discovers excessive moisture or water within the Unit, or any Limited Common Elements allocated to the Unit, Owner agrees to take necessary steps to immediately eliminate the source of water or moisture, recognizing that failing to do so can result in damage and Mold growth. Owner acknowledges that the Association and other Owners are relying upon Owner to perform the foregoing services in order to assure that the Unit and the Buildings as a whole function in the manner designed. Owner agrees to be fully and solely responsible for any liability or damage resulting from Owner’s failure to perform as agreed in this Section 23.11.

23.12 **SECURITY.** THE ASSOCIATION, DECLARANT, AND ANY ENTITY RELATED TO THE FOREGOING, MAY, BUT SHALL IN NO EVENT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS DIRECTLY OR INDIRECTLY TO IMPROVE SECURITY ON THE PROPERTY OR WITHIN THE PROJECT; HOWEVER, EACH OWNER, FOR HIMSELF/HERSELF/ITSELF AND HIS/HER/ITS PERMITTEES, ACKNOWLEDGES AND AGREES THAT THE ASSOCIATION, DECLARANT, AND ANY ENTITY RELATED TO THE FOREGOING, IS NOT A PROVIDER OF SECURITY AND THAT SUCH PARTIES SHALL NOT HAVE A DUTY TO PROVIDE SECURITY ON THE PROPERTY OR WITHIN THE PROJECT. FURTHERMORE, THE ASSOCIATION, DECLARANT, AND ANY ENTITY RELATED TO THE FOREGOING, DOES NOT GUARANTEE THAT NON-OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE PROPERTY OR THE PROJECT AND COMMIT CRIMINAL ACTS ON THE PROPERTY OR WITHIN THE PROJECT. FURTHERMORE, THE ASSOCIATION, DECLARANT, AND ANY ENTITY RELATED TO THE FOREGOING, DOES NOT GUARANTEE THAT CRIMINAL ACTS ON THE PROPERTY OR

THE PROJECT WILL NOT BE COMMITTED BY OTHER OWNERS OR OCCUPANTS. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER AND OCCUPANT TO PROTECT HIS/HER/ITS PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH OWNER AND OCCUPANT. THE ASSOCIATION, DECLARANT, AND ANY ENTITY RELATED TO THE FOREGOING SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF SAFETY MEASURES UNDERTAKEN, IF ANY, AND BY ACCEPTANCE OF A DEED TO A UNIT, EACH OWNER WAIVES CLAIMS RELATED TO THE SAME.

ARTICLE 24 GENERAL PROVISIONS

24.1 **SUPPLEMENT TO APPLICABLE LAW.** The provisions of this Declaration shall be in addition to and supplemental to all applicable provisions of law.

24.2 **CONVEYANCE OF UNITS.** All Units, whether or not the instrument of conveyance or assignment shall refer to this Declaration, shall be subject to the covenants, conditions, restrictions, easements, reservations, rights-of-way, and all other terms and provisions contained in this Declaration and the balance of the Association Documents, as each of them may be amended from time to time.

24.3 **ESTOPPEL CERTIFICATES.** Each Owner or the Association, as the case may be, shall, from time to time, within ten (10) days after receipt of written request from any other Owner or First Mortgagee execute, acknowledge and deliver to such other Owner, First Mortgagee, or its designee a certificate ("*Estoppel Certificate*") stating to the best of such Owner's knowledge, without inquiry:

- (a) that the terms and provisions of this Declaration are unmodified and are in full force and effect, or, if modified, identifying any such modifications;
- (b) whether there is any existing default hereunder by any other Owners or the Association and, if so, specifying the nature and extent thereof;
- (c) whether there are any sums that the Owner executing such Estoppel Certificate is entitled to receive or demand from any of the other Owners, and if there is any such sum, specifying the nature and amount thereof and method of computation;
- (d) in the case of the Association, confirmation of the current Budget, and whether there are any outstanding, unpaid Assessments, or currently proposed Assessments;
- (e) whether an Owner or the Association has performed or is performing work, the cost of which is chargeable in whole or in part to any of the other Owners pursuant to the provisions hereof, but has not yet been charged to any such Owner, and if there be any such work, specifying the nature and extent thereof;
- (f) the nature and extent of any set-offs, claims, counterclaims or defenses then being asserted, or otherwise known by an Owner or the Association against the enforcement of any other Owner's obligations hereunder;

(g) whether any Owner has requested that a matter be submitted to arbitration and the nature of any arbitration proceeding or finding made within ninety (90) days preceding the date of the Estoppel Certificate; and

(h) such other matters as may be reasonably requested.

24.4 UNAVOIDABLE DELAY. Neither the Association nor any Owner shall be deemed in default in the performance of any obligation required by the Association Documents other than an obligation to pay money, if and so long as the non-performance is directly caused by Unavoidable Delay. Such party's time for performance shall be extended during any period of Unavoidable Delay, provided that the party unable to perform shall promptly notify the party(ies) to whom the relevant obligation is owed of the existence of any Unavoidable Delay, shall periodically keep the notified party(ies) informed in writing of the status of the Unavoidable Delay and the performance of its obligation, and shall diligently pursue completion of performance.

24.5 RESTRICTION ON DECLARANT POWERS. Notwithstanding anything to the contrary herein, no rights or powers reserved to Declarant hereunder shall exceed the time limitations or permissible extent of such rights or powers as restricted by applicable law. Any provision in this Declaration in conflict with the requirements of applicable law shall not be deemed invalid as a whole but shall be adjusted as is necessary to comply with applicable law.

24.6 DECLARANT'S USE. Notwithstanding anything to the contrary contained in this Declaration, it shall be expressly permissible and proper for Declarant and its employees, agents, and contractors, to perform such reasonable activities, and to maintain upon portions of the Units and the Common Elements such facilities as Declarant deems reasonably necessary or incidental to the construction and sale of Units and development and construction of Improvements. The foregoing includes locating, maintaining and relocating management offices, signs, model units and sales offices, in such numbers, of such sizes, and at such locations it determines in its reasonable discretion from time to time. Any real estate used as a sales office, management office, or a model, shall be a Unit or Common Elements, as designated in this Declaration or any other recorded document. Further, nothing contained in this Declaration shall limit the rights of Declarant or require Declarant to obtain approvals:

24.6.1 to excavate, cut, fill or grade any property (with the consent of the Owner thereof) or to construct, alter, demolish or replace any Improvements;

24.6.2 to use any Improvements on any property (with the consent of the Owner thereof) as a construction, management, or sales or leasing office in connection with the development, construction or sale of any property; and/or

24.6.3 to require Declarant to seek or obtain any approvals under this Declaration for any such activity.

24.7 LIMITATION ON LIABILITY. The Association, the Board, Declarant, and each of their officers, directors, members, managers, partners, agents and employees, shall not be liable to any party for any action or for any failure to act unless the action or failure to act was in bad faith and was done or withheld with malice.

24.8 NO REPRESENTATIONS, GUARANTIES OR WARRANTIES. No representations, guaranties or warranties of any kind, express or implied, shall be deemed to have been given or made by Declarant, the Association, the Board, or by any of their officers, directors, members, managers, partners, agents or employees, AND ALL SUCH REPRESENTATIONS, GUARANTIES, AND WARRANTIES IN CONNECTION WITH ANY PORTION OF THE COMMUNITY, OR ANY IMPROVEMENT, INCLUDING, WITHOUT LIMITATION, ITS OR THEIR PHYSICAL CONDITION, STRUCTURAL INTEGRITY, FREEDOM FROM DEFECTS, FREEDOM FROM HAZARDOUS OR TOXIC MATERIALS, SUBSTANCES OR GASES, ZONING, COMPLIANCE WITH APPLICABLE LAWS, FITNESS FOR A PARTICULAR USE, OR VIEW, OR IN CONNECTION WITH THE SUBDIVISION, SALE, OPERATION, MAINTENANCE, COST OF MAINTENANCE, TAXES OR REGULATION THEREOF, ARE HEREBY WAIVED IN THEIR ENTIRETY.

24.9 DISCLAIMER REGARDING SAFETY. DECLARANT, THE ASSOCIATION AND THE BOARD AND EACH OF THEIR OFFICERS, DIRECTORS, MEMBERS, MANAGERS, PARTNERS, AGENTS AND EMPLOYEES, HEREBY DISCLAIM ANY OBLIGATION REGARDING THE SECURITY OF ANY PERSONS OR PROPERTY WITHIN THE COMMUNITY. BY ACCEPTING A DEED TO PROPERTY WITHIN THE COMMUNITY, EACH OWNER ACKNOWLEDGES THAT DECLARANT, THE ASSOCIATION AND THE BOARD, AND EACH OF THEIR OFFICERS, DIRECTORS, MEMBERS, PARTNERS, AGENTS AND EMPLOYEES, ARE ONLY OBLIGATED TO DO THOSE ACTS SPECIFICALLY ENUMERATED IN THIS DECLARATION, OR IN THE ARTICLES OF INCORPORATION, BYLAWS AND RULES AND POLICIES OF THE ASSOCIATION, AND ARE NOT OBLIGATED TO DO ANY OTHER ACTS WITH RESPECT TO THE SAFETY OR PROTECTION OF PERSONS OR PROPERTY WITHIN THE COMMUNITY.

24.10 WAIVER. By acceptance of a deed to a Unit, each Owner hereby releases, waives, and discharges the Declarant, the Association, and the Board, and each of their respective officers, directors, members, managers, partners, agents and employees, heirs, personal representatives, successors and assigns, from all losses, claims, liabilities, costs, expenses, and damages, arising directly or indirectly from any hazards, disclosures or risks set forth in this Declaration, including without limitation, those contained in Sections 24.6 through 24.9.

24.11 ENFORCEMENT AND RIGHTS OF ACTION.

24.11.1 Enforcement. Except as otherwise provided in this Declaration, the Association, the Board, Declarant or any Owner shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Likewise, the Association, the Board, Declarant or any Owner shall have the right to enforce compliance with any decision made by the Board pursuant to authority granted to the Association in the Association Documents. Failure by the Board, the Association, Declarant or any Owner to enforce any covenant or restriction contained in this Declaration shall in no event be deemed a waiver of the right to do so thereafter. In any action instituted or maintained for enforcement of the Association Documents, the prevailing party shall be entitled to recover its costs and reasonable attorneys' fees incurred pursuant thereto, as well as any and all other sums awarded by the court or arbitrator.

24.11.2 *Scope of Association Rights.* The Association may exercise any right or privilege expressly granted to the Association by the Association Documents or applicable law, including the Act and the Nonprofit Act, and may exercise any other powers consistent with the foregoing and necessary and proper for the governance and operation of the Association.

24.12 DISPUTE RESOLUTION.

24.12.1 *Regulatory Disputes.* Any claim, controversy, or dispute involving: (a) classification by the Board of constituent categories (but not specific dollar amounts themselves) of Limited Common Expenses or General Common Expenses; (b) proposed Rules that will have a material adverse effect upon the permitted uses of Owners within the Units; or (c) any other matters upon which the Association and an aggrieved party may mutually agree, shall be resolved by binding arbitration in accordance with the rules established by the Denver office of the American Arbitration Association according to its “fast track” or other available expedited proceedings. The single arbitrator shall be an experienced operator or manager of a residential condominium or planned community project in the San Miguel County area. Judgment upon the determination of the arbitrator may be entered and enforced by the District Court for the County of San Miguel. A condition precedent for any arbitration shall be reconsideration by the Board of the matter in question in an effort to resolve such dispute without the need for binding arbitration.

24.12.2 *Other Disputes Between the Parties.* Any controversy, claim, dispute, or other matter in question (collectively, “**Claim**”) between or among the Association, one or more Owners, Declarant, members of the Board, or any other person subject to, or that/who agrees to be bound by, this Declaration, shall, subject to Section 24.12.2(A) below, be determined by binding arbitration in accordance with Colorado’s Uniform Arbitration Act, Colorado Revised Statutes Section 13-22-201, *et seq.*, and the provisions set forth in this Section 24.12.2. Notwithstanding anything in this Section 24.12.2 to the contrary, a “Claim” shall not include: (a) any dispute described in Section 24.12.1 above; (b) any action by the Association to collect Assessments or other amounts due from any Owner; (c) any action by the Association to obtain a temporary restraining order or emergency equitable relief and such ancillary relief as a court may deem appropriate to maintain the status quo; (d) any suit between Owners which does not involve the Declarant or the Association as a party, to the extent such suit asserts a cause of action independent of the Association Documents, or (e) any action in which an indispensable party is not a party bound by this Declaration unless such indispensable party agrees to be bound by this Declaration for purpose of resolution of the Claim. BY ACCEPTING THE DEED TO A UNIT, EACH OWNER WAIVES ANY RIGHT TO A JUDICIAL PROCEEDING AND A JURY TRIAL IN CONNECTION WITH THE RESOLUTION OF ANY CLAIM.

(A) Mediation.

I. Every Claim shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by any party. The parties shall endeavor to resolve Claims between them by mediation, which mediation shall be conducted by the arbitrator selected as provided herein in accordance with such arbitrator’s mediation rules. Request for mediation shall be filed in writing with the other party(ies) and with the arbitrator. The request may be made concurrently with the filing of a demand for arbitration but, in such event, mediation shall proceed in advance of arbitration or legal or equitable proceedings, which shall

be stayed pending mediation for a period of sixty (60) days from the date of filing, unless stayed for a longer period by agreement of the parties.

II. The parties shall share the mediator's fee and any filing fees pro rata according to the number of parties. The mediation shall be held in the arbitrator's Colorado offices in or physically closest to Mountain Village, Colorado, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

(B) Arbitration.

I. All Claims not resolved pursuant to mediation shall be subject to, and decided by, binding arbitration in accordance with the arbitrator's arbitration rules as then currently in effect. The demand for arbitration shall be filed in writing with the other party(ies) and with the arbitrator. The parties shall share the arbitrator's fee and any filing fees pro rata according to the number of parties.

II. A demand for arbitration shall be made within a reasonable time after the Claim has arisen. In no event shall the demand for arbitration be made after the date when institution of legal or equitable proceedings based on such Claim would be barred by the applicable statute of limitations. All Claims are subject to the laws, rules and regulations of the State of Colorado and its political subdivisions, including the Construction Defect Reform Act, Colorado Revised Statutes Section 13-20-801 *et seq.* with respect to any claims asserted for construction or design defects.

III. Except as otherwise provided herein, no arbitration of any Claim shall include, by consolidation or joinder or in any other manner, any person not an Owner, Declarant, the Association or a member of the Board, except by written consent of one or more parties and any other person or entity sought to be joined. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any Claim not described in the written consent or with a person or entity not named or described therein. Notwithstanding the foregoing, Declarant shall have the right to join its architects, engineers, contractors, subcontractors, materialmen, and any other construction professionals rendering services, performing work, or providing materials for the Property, in any arbitration to the extent Declarant obtains the consent of such other parties or has the right to force joinder of such other parties.

IV. The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by the parties shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

V. The award rendered by the arbitrator or arbitrators shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. The arbitrator shall award the prevailing party all reasonable costs and expenses, including attorneys' fees, costs and expert witness fees.

VI. The parties may agree upon an arbitrator. If they are unable to agree, the parties will contact the Judicial Arbitrator Group, the Colorado Home Builders Association/Better Business Bureau Alternative Dispute Program, the Westminster Legal Resolution Center or other agreed upon dispute resolution organization or service (in that order of priority) and will use its procedures to select an arbitrator.

24.12.3 *Initiation of Action by the Association.* In addition to compliance with the foregoing alternative dispute resolution procedures set forth in this Section 24.12, the Association shall also strictly comply with Section 303.5 of the Act, and the Association shall not initiate any judicial or administrative proceeding, including a proceeding governed by Section 303.5 of the Act, and otherwise, unless first approved by Owners holding sixty-seven percent (67%) of the Voting Interests as provided in Section 9.3.1, except that no such approval shall be required for actions or proceedings: (a) initiated to enforce the provisions of this Declaration, including collection of assessments and foreclosure of liens; (b) initiated to challenge *ad valorem* taxation or condemnation proceedings; or (c) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it. Notwithstanding anything herein to the contrary, this Section shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings and Declarant.

24.13 **NOTICES.** All notices, demands, or other communications shall be in writing. Each Owner shall register a designated representative with the Association, including mailing address and email address. If no such registration is made, notices shall be sent to such Owner at the address of the Unit and shall be deemed properly given to the Owner if delivered to the last address so registered with the Association, or if none then to the Unit address as provided above. Notices shall be given to the Declarant and the Association at:

Meadowlark 644, LLC
Attn: Michael O'Connor
PO Box 2444
Edwards, CO 81632
michael@triumphdev.com

with a copy to:

Brigette M. Paige
Packard and Dierking, LLC
WaterStreet
2595 Canyon Blvd., Suite 200
Boulder, CO 80302
brigette@packarddierking.com

Notices shall be given to First Mortgagees who have registered with the Association pursuant to Section 18.5 above. Notices may be delivered, sent via email, or sent by certified U.S. mail, postage prepaid (provided that if a notice is sent by email, a copy shall be mailed by certified U.S. mail the next business day). All notices shall be effective upon receipt. The designated representative, address, or email may be changed by notifying the Association in the manner described above, and upon any such change by any Owner, such Owner may, at its election and after notice thereof has been given,

record an instrument amending the representative, address and/or email address of such Owner for purposes of this Section.

24.14 **SEVERABILITY.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, all of which shall remain in full force and effect.

24.15 **NUMBER AND GENDER.** Unless the context provides or requires to the contrary, the use of the singular herein shall include the plural, the use of the plural shall include the singular, and the use of any gender shall include all genders.

24.16 **CONFLICTS BETWEEN DOCUMENTS.** In case of conflict between this Declaration and the Articles or the Bylaws, this Declaration shall control. In case of conflict between the Articles and the Bylaws, the Articles shall control.

24.17 **DECLARANT'S OWNERSHIP OF UNSOLD UNITS.** Unless expressly prohibited by the Act, Declarant shall enjoy the same rights and assume the same duties with respect to all unsold Units still owned by Declarant as the initial and subsequent Owners (other than Declarant) have in connection with their Units.

24.18 **COUNTERPARTS.** Any amendment to this Declaration may be executed in several counterparts and all counterparts so executed shall constitute one document binding on all signatories thereof, notwithstanding that all signatories have not executed the original or the same counterpart.

(signature page follows)

IN WITNESS WHEREOF, Declarant has executed the foregoing Condominium Declaration of Meadowlark at Mountain Village Community as of the day and year first set forth above.

DECLARANT:

MEADOWLARK 644, LLC, a
Colorado limited liability company

LLC,

By: TRIUMPH DEVELOPMENT WEST,

a Colorado limited liability company,
its Manager

By: _____
M. Michael O'Connor, Manager

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 2024,
by M. Michael O'Connor, as Manager of Triumph Development West, LLC, Manager of Meadowlark
644 LLC, a Colorado limited liability company, on behalf of the company.

Witness my hand and official seal.

Notary Public
My commission expires: _____

**CONSENT
TO
CONDOMINIUM DOCUMENTS FOR MEADOWLARK AT MOUNTAIN VILLAGE
COMMUNITY**

_____ (“Grantee”), deed of trust beneficiary pursuant to a Deed of Trust dated _____ and recorded on _____ at Reception No. _____ of the records of the Clerk and Recorder of the County of San Miguel, Colorado, upon the subject Property, hereby consents to the recording of the above-stated Condominium Declaration of Meadowlark at Mountain Village Community (the “**Declaration**”) and the Condominium Map for Meadowlark at Mountain Village Community (the “**Map**”), which Declaration and Map shall run with the land and be binding upon all owners thereof, and the rights of Grantee shall be subordinated thereto, so that the terms of the Declaration and the Map shall apply as though recorded prior to the said Deed of Trust, and the rights pursuant to said Deed of Trust are modified hereby.

a

By: _____
Name: _____
Title: _____

STATE OF _____)
COUNTY OF _____) ss.

The foregoing Consent to Condominium Documents of _____ Condominiums
was acknowledged before me this _____ day of _____ 202____, by _____ as
_____, of _____, a _____.

Witness my hand and official seal.

Notary Public
My commission expires: _____

EXHIBIT A
to
Condominium Declaration of Meadowlark at Mountain Village Community

Property

LOT 644, TELLURIDE MOUNTAIN VILLAGE, FILING 22, ACCORDING TO THE PLAT,
RECORDED SEPTEMBER 22, 1989 IN PLAT BOOK 1 AT PAGE 932, COUNTY OF SAN
MIGUEL, STATE OF COLORADO.

EXHIBIT B
to
Condominium Declaration of Meadowlark at Mountain Village Community

Voting Interest and General Expense Sharing Ratio

			General		Building A		Building B		Building C		Building D
	Gross		Expense		Limited		Limited		Limited		Limited
	Floor	Voting	Sharing	Building A	Expense	Building B	Expense	Building C	Expense	Building D	Expense
Unit	Area	Interest	Ratio	Voting	Sharing	Voting	Sharing	Voting	Sharing	Voting	Sharing
				Interest	Ratio	Interest	Ratio	Interest	Ratio	Interest	Ratio
A101	710	7	2.128%	7	7.000%						
A107	710	7	2.128%	7	7.000%						
A201	710	7	2.128%	7	7.000%						
A203	976	9	2.736%	9	9.000%						
A205	976	9	2.736%	9	9.000%						
A207	913	9	2.736%	9	9.000%						
A301	710	7	2.128%	7	7.000%						
A303	976	9	2.736%	9	9.000%						
A305	976	9	2.736%	9	9.000%						
A307	913	9	2.736%	9	9.000%						
A403	976	9	2.736%	9	9.000%						
A405	976	9	2.736%	9	9.000%						
B105	1,516	15	4.559%			15	18.519%				
B107	1,790	17	5.167%			17	20.988%				
B109	1,790	17	5.167%			17	20.988%				
B111	1,790	17	5.167%			17	20.988%				
B113	1,516	15	4.559%			15	18.519%				
C112	997	9	2.736%					9	12.162%		
C114	1,405	14	4.255%					14	18.919%		
C116	1,405	14	4.255%					14	18.919%		
C118	1,405	14	4.255%					14	18.919%		
C120	1,405	14	4.255%					14	18.919%		
C122	997	9	2.736%					9	12.162%		
D100	997	9	2.736%							9	12.162%
D102	1,405	14	4.255%							14	18.919%
D104	1,405	14	4.255%							14	18.919%
D106	1,405	14	4.255%							14	18.919%
D108	1,405	14	4.255%							14	18.919%
D110	997	9	2.736%							9	12.162%
Total	34,152	329	100.00%	100	100.00%	81	100.00%	74	100.00%	74	100.00%

EXHIBIT C

to

Condominium Declaration of Meadowlark at Mountain Village Community

Recorded Easements affecting the Property

1. 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](#).
2. 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 09, 2009 UNDER RECEPTION NO. [410160](#). SECOND AMENDMENT TO THE AMENDED AND RESTATED GENERAL DECLARATION RECORDED MARCH 19, 2012 UNDER RECEPTION NO. [422188](#).
3. 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](#).
4. EASEMENTS, CONDITIONS, COVENANTS, RESTRICTIONS, RESERVATIONS AND NOTES ON THE PLAT OF TELLURIDE MOUNTAIN VILLAGE FILING 22 RECORDED SEPTEMBER 22, 1989 IN PLAT BOOK 1 AT PAGE [932](#).

5. 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 INSTRUMENT RECORDED OCTOBER 5, 1989, IN BOOK 458 AT PAGE [147](#).
6. TERMS, CONDITIONS, RESERVATIONS AND PROVISIONS AS CONTAINED IN WARRANTY DEED RECORDED OCTOBER 5, 1989, IN BOOK 458 AT PAGE [147](#).
7. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN TOWN OF MOUNTAIN VILLAGE EMPLOYEE HOUSING RESTRICTION RECORDED SEPTEMBER 08, 1997 IN BOOK 586 AT PAGE [575](#) AND AS AMENDED IN INSTRUMENT RECORDED OCTOBER 12, 1999 UNDER RECEPTION NO. [329779](#).
8. TERMS, CONDITIONS AND PROVISIONS OF NOTICE FILED BY SAN MIGUEL POWER ASSOCIATION, INC. RECORDED MARCH 18, 1999 UNDER RECEPTION NO. [325020](#)
9. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN ASSIGNMENT AGREEMENT RECORDED MARCH 29, 2005 UNDER RECEPTION NO. [373519](#), QUIT CLAIM RECORDED MARCH 23, 2011 UNDER RECEPTION NO. [417045](#), AND ASSIGNMENT, CONVEYANCE, AND TRANSFER OF DENSITY UNITS AND ASSUMPTION OF OBLIGATIONS RECORDED MARCH 23, 2011 UNDER RECEPTION NO. [417047](#).
10. TERMS, CONDITIONS, PROVISIONS, BURDENS AND OBLIGATIONS AS SET FORTH IN RESOLUTION NO. 2008-0221-02 RECORDED MARCH 06, 2008 UNDER RECEPTION NO. [400294](#).

EXHIBIT D TO
to
Condominium Declaration of Meadowlark at Mountain Village Community

Allocation of Storage Areas

Storage Area Number	Allocated to Unit Number
SA1	A101
SA2	A107
SA3	A201
SA4	A203
SA5	A205
SA6	A207
SA7	A301
SA8	A303
SA9	A305
SA10	A307
SA11	A403
SA12	A405

EXHIBIT E TO
to
Condominium Declaration of Meadowlark at Mountain Village Community

Allocation of Parking Spaces

Parking Space Number	Allocated to Unit Number
PS1	A405
PS2	A405
PS3	A403
PS4	A403
PS5	GCE
PS6	A107
PS7	A307
PS8	A307
PS9	A305
PS10	A305
PS11	A301
PS12	B113
PS13	B111
PS14	B109
PS15	B107
PS16	B105
PS17	D106
PS18	D104
PS19	D102
PS20	D100
PS21	A303
PS22	A303
PS23	A207
PS24	A207
PS25	A205
PS26	A205
PS27	C122
PS28	C120
PS29	C118
PS30	C116
PS31	C114
PS32	C112
PS33	A203
PS34	A203
PS35	A201
PS36	GCE
PS37	A101
PS38	C122
PS39	D110
PS40	D108
PS41	D106
PS42	D104

Parking Space Number	Allocated to Unit Number
PS43	D102
PS44	D100
PS45	C120
PS46	C118
PS47	C116
PS48	C114
PS49	C112
PS50	D110
PS51	D108

**PROFORM CONDO MAP NOTE:**

This map is provided for illustrative purposes only and is intended to provide a depiction of the project and condominium units and general details associated with each unit (configuration, location, parking and storage locations, etc.). Once the units are completed, a surveyor will provide a Condominium Map that complies with all legal requirements for a condominium map in a common interest community which will be recorded with the final condominium documents and provided to buyers prior to closing.



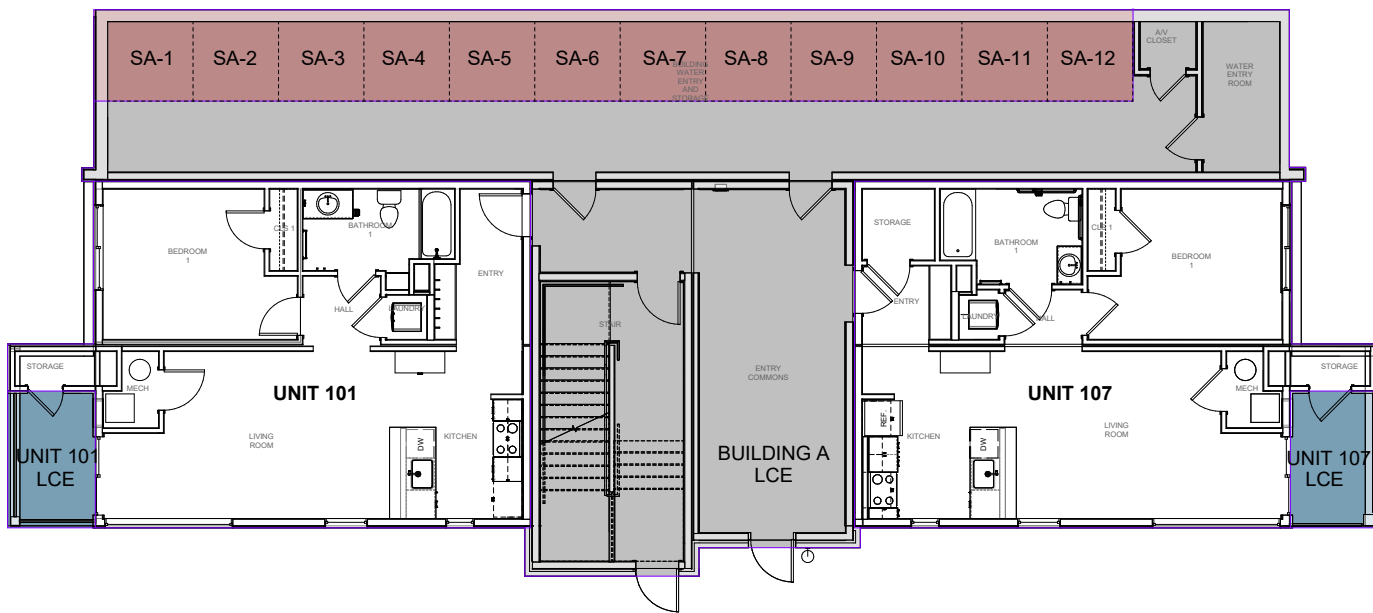
CONDO MAP



MEADOWLARK

Town of Mountain Village, CO

- CONDO MAP LEGEND
- LCE
 - LCE - BUILDING A
 - LCE - STORAGE AREA



BUILDING A LOWER LEVEL CONDO MAP

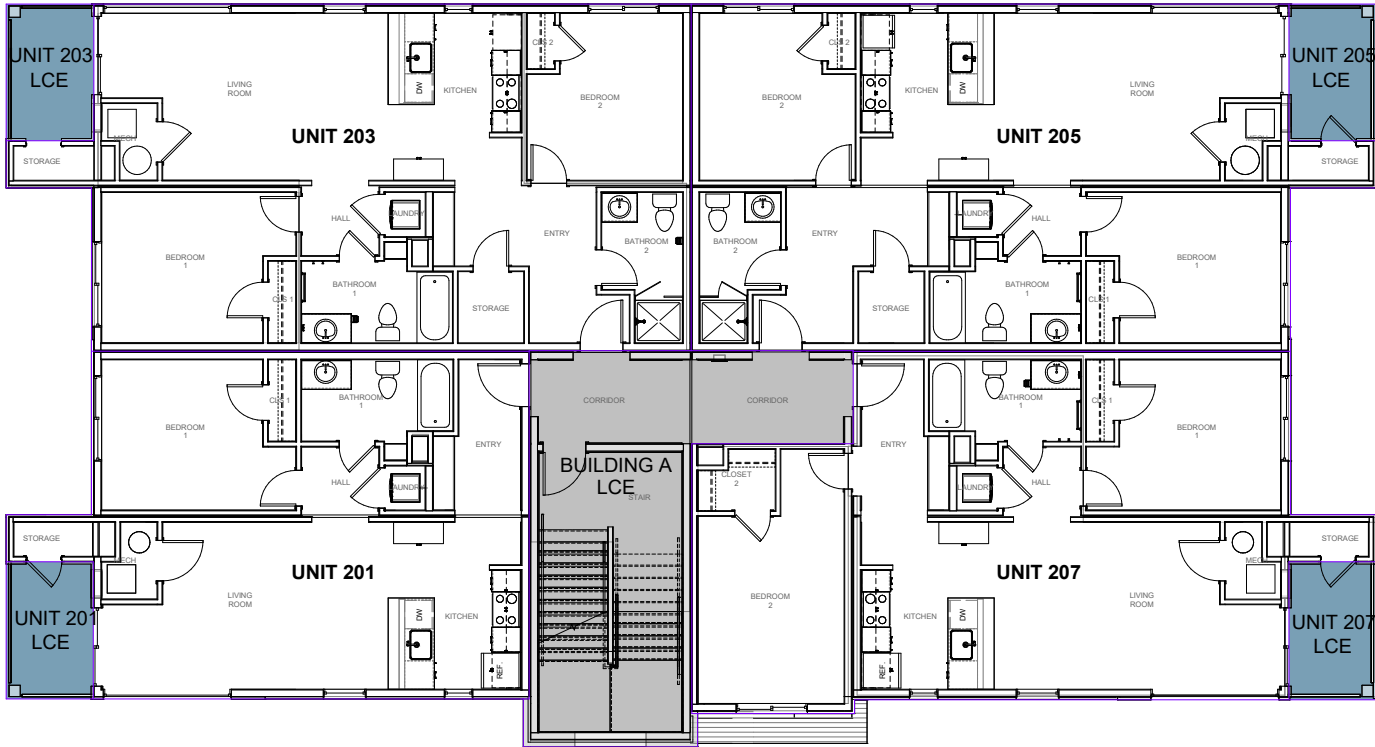


MEADOWLARK

Town of Mountain Village, CO

CONDO MAP LEGEND

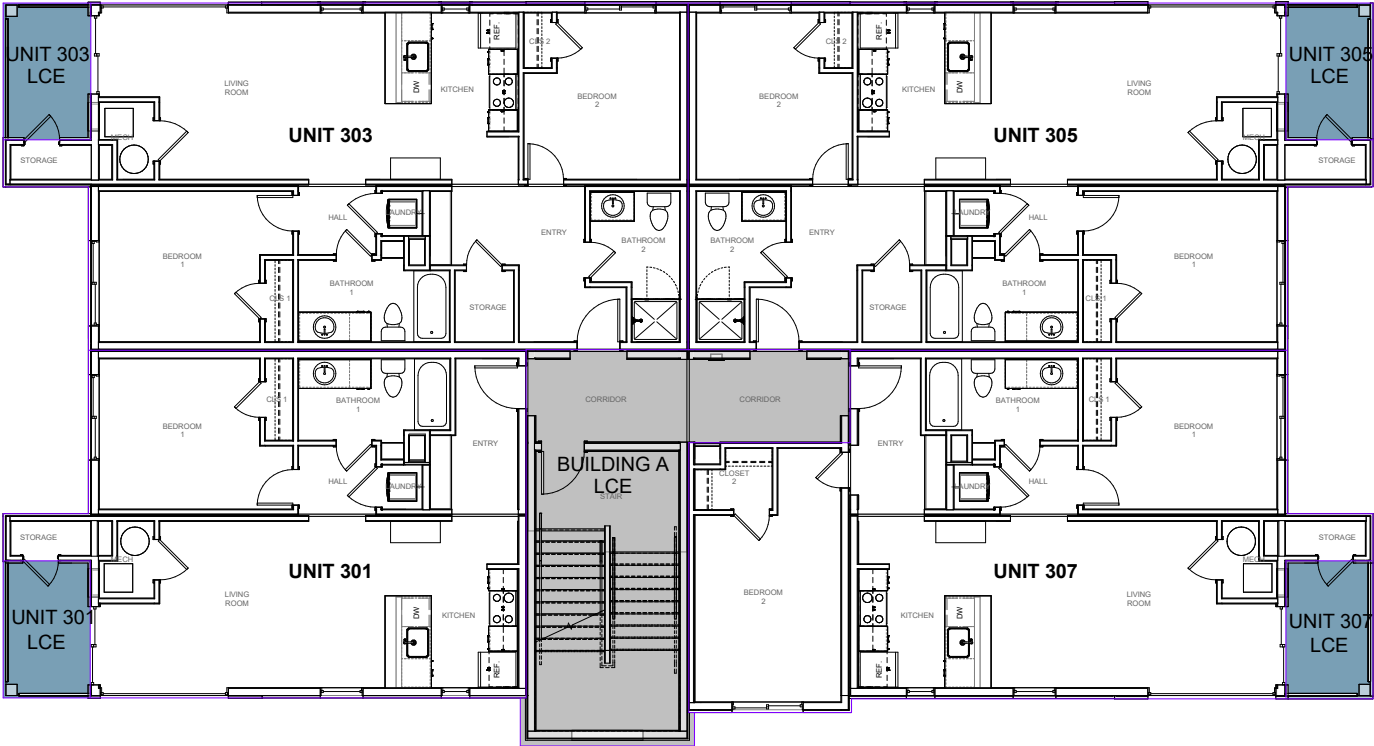
- LCE
- LCE - BUILDING A



BUILDING A FIRST FLOOR CONDO MAP

CONDO MAP LEGEND

- LCE
- LCE
- BUILDING A



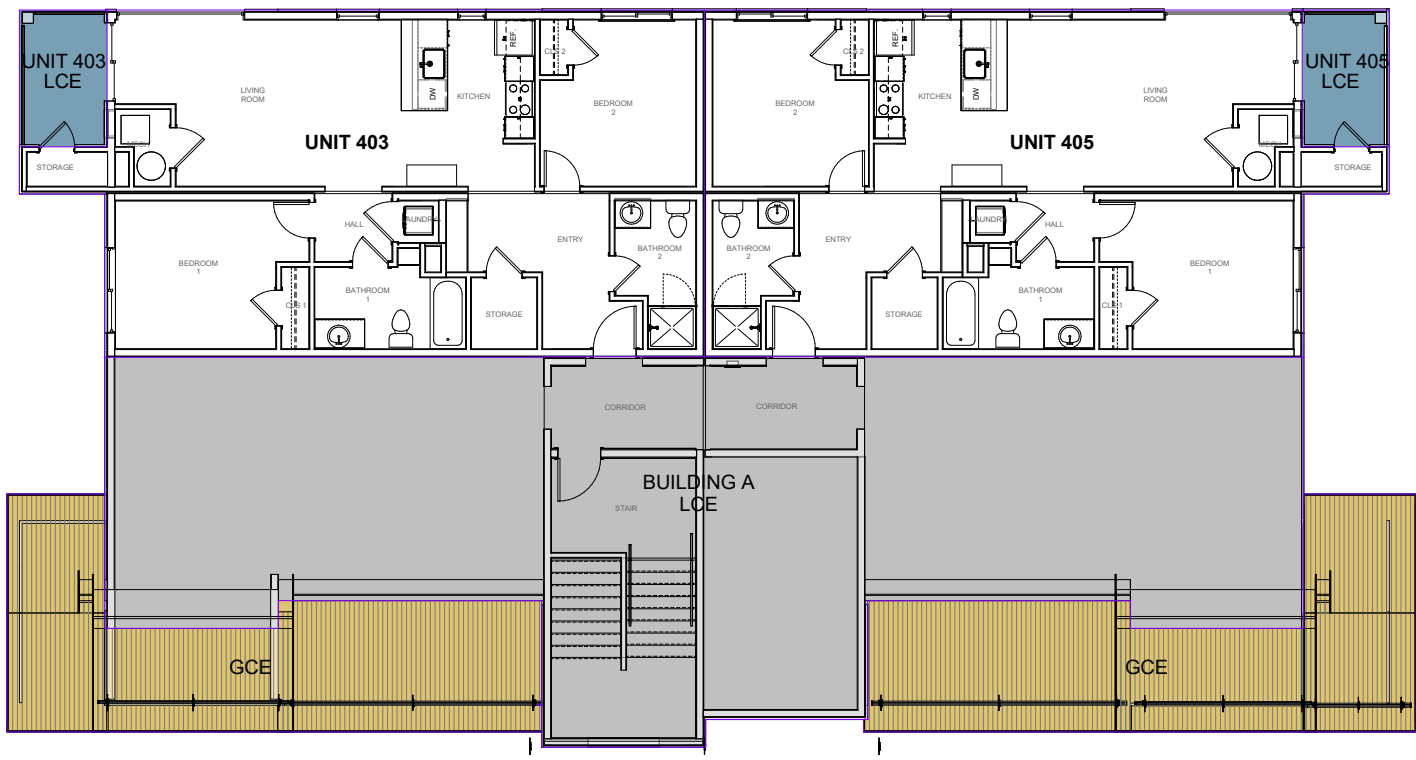
BUILDING A
SECOND FLOOR CONDO MAP

MEADOWLARK

Town of Mountain Village, CO

CONDO MAP LEGEND

- GCE
- LCE
- LCE - BUILDING A



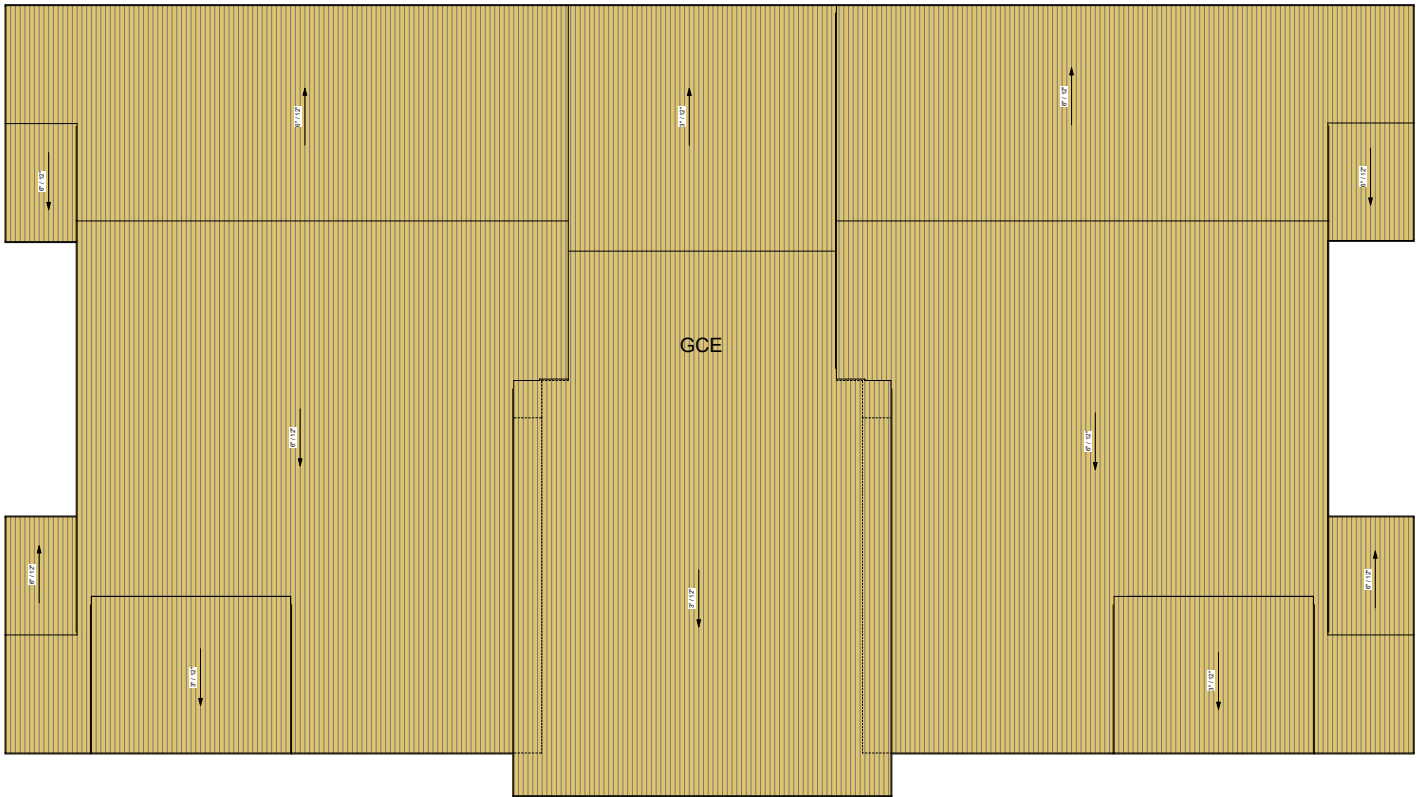
BUILDING A THIRD FLOOR CONDO MAP

MEADOWLARK

Town of Mountain Village, CO

CONDO MAP LEGEND

 GCE

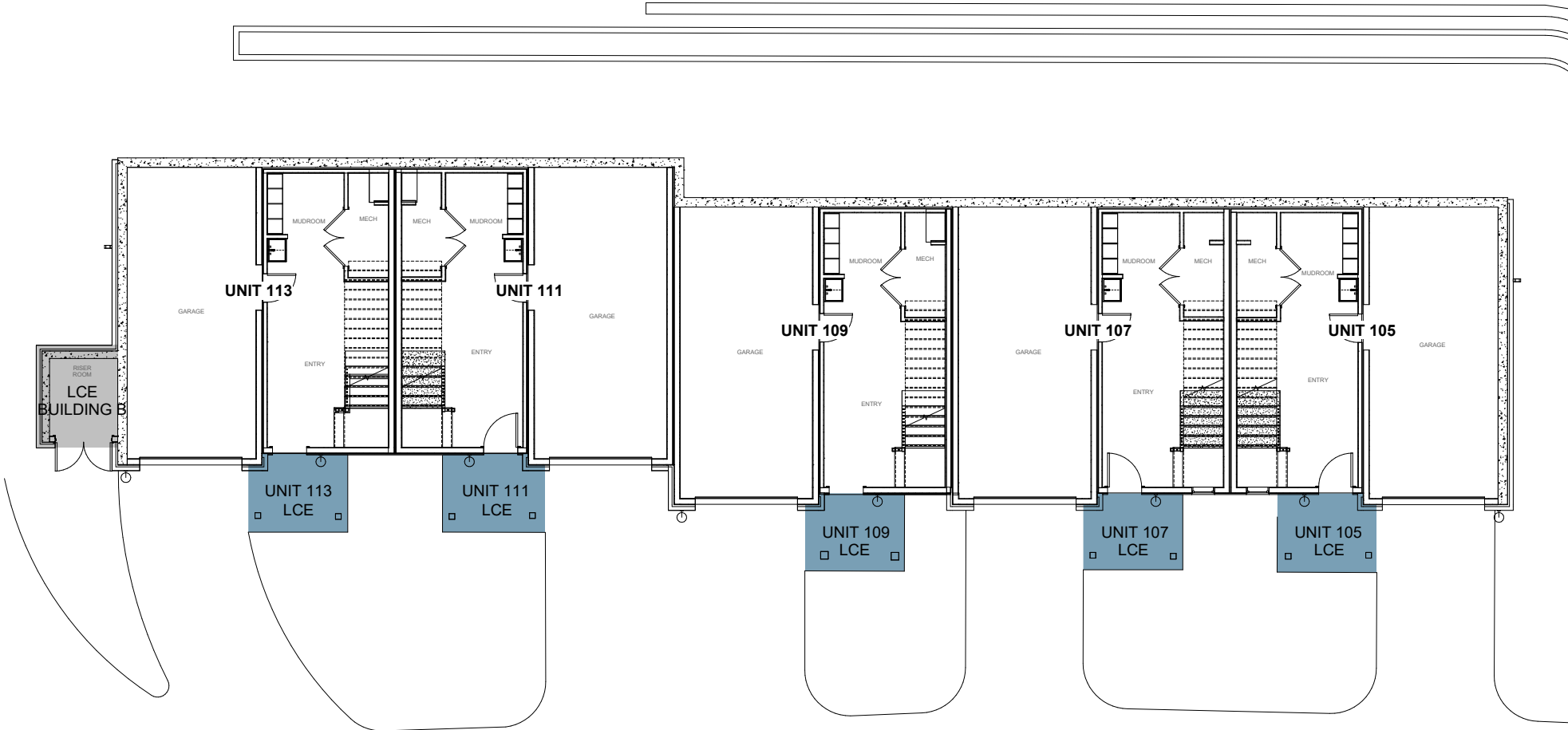


BUILDING A ROOF PLAN CONDO MAP



CONDO MAP LEGEND

- LCE
- LCE BUILDING B



BUILDING B - GROUND LEVEL - CONDO MAP

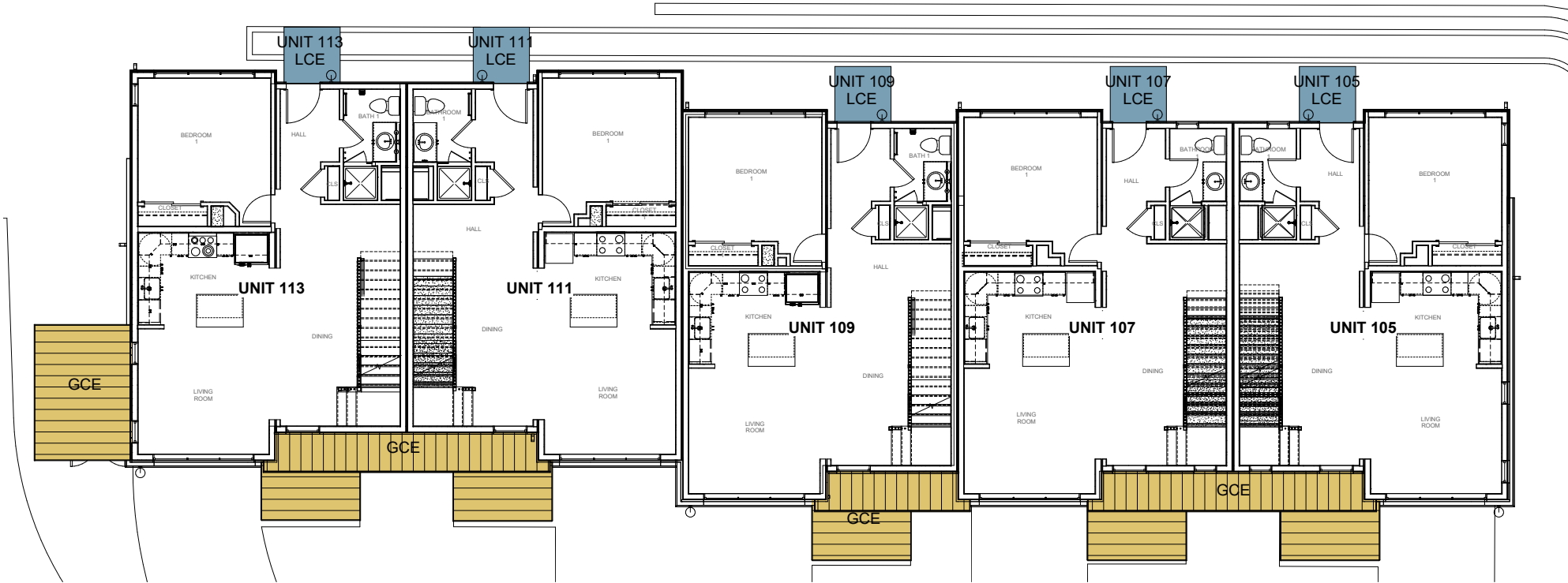


MEADOWLARK

Town of Mountain Village, CO

CONDO MAP LEGEND

- GCE
- LCE

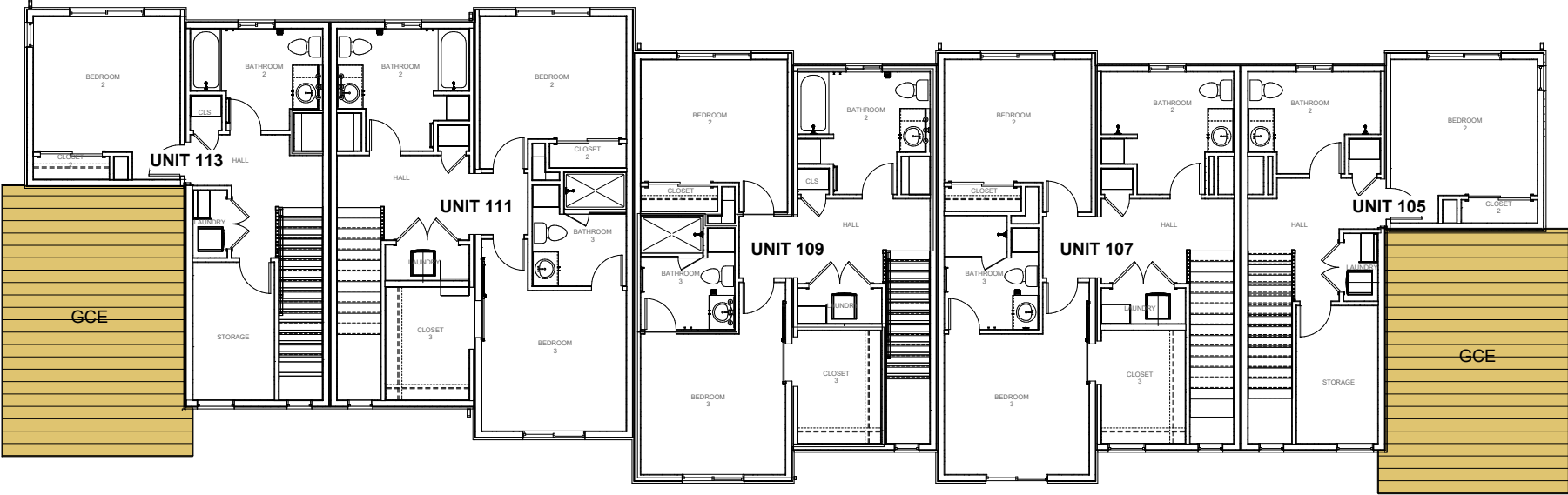


BUILDING B - FIRST FLOOR - CONDO MAP



CONDO MAP LEGEND

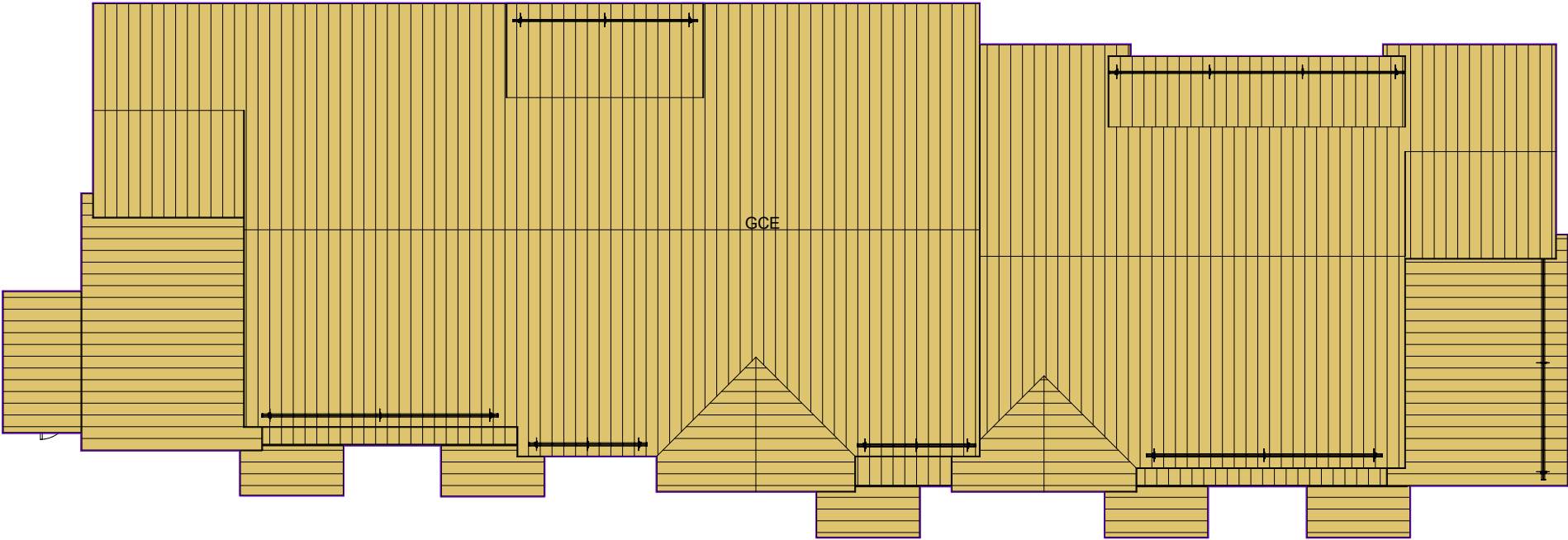
GCE



BUILDING B - SECOND FLOOR - CONDO MAP

CONDO MAP LEGEND

GCE

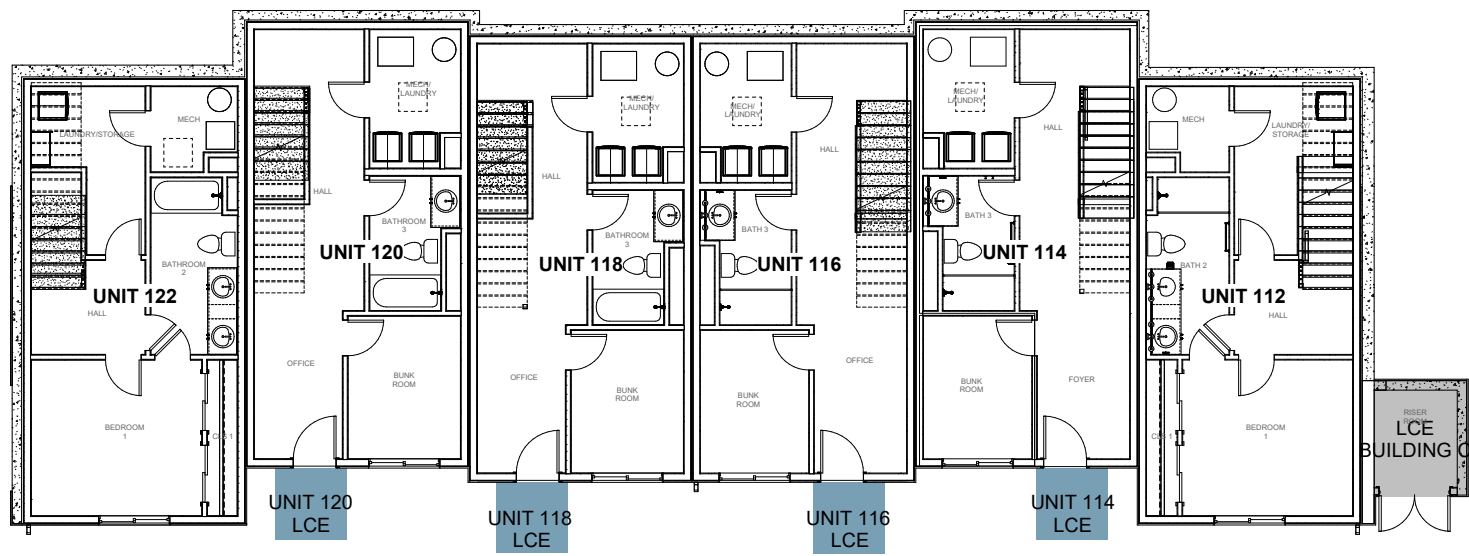


BUILDING B - ROOF PLAN - CONDO MAP



CONDO MAP LEGEND

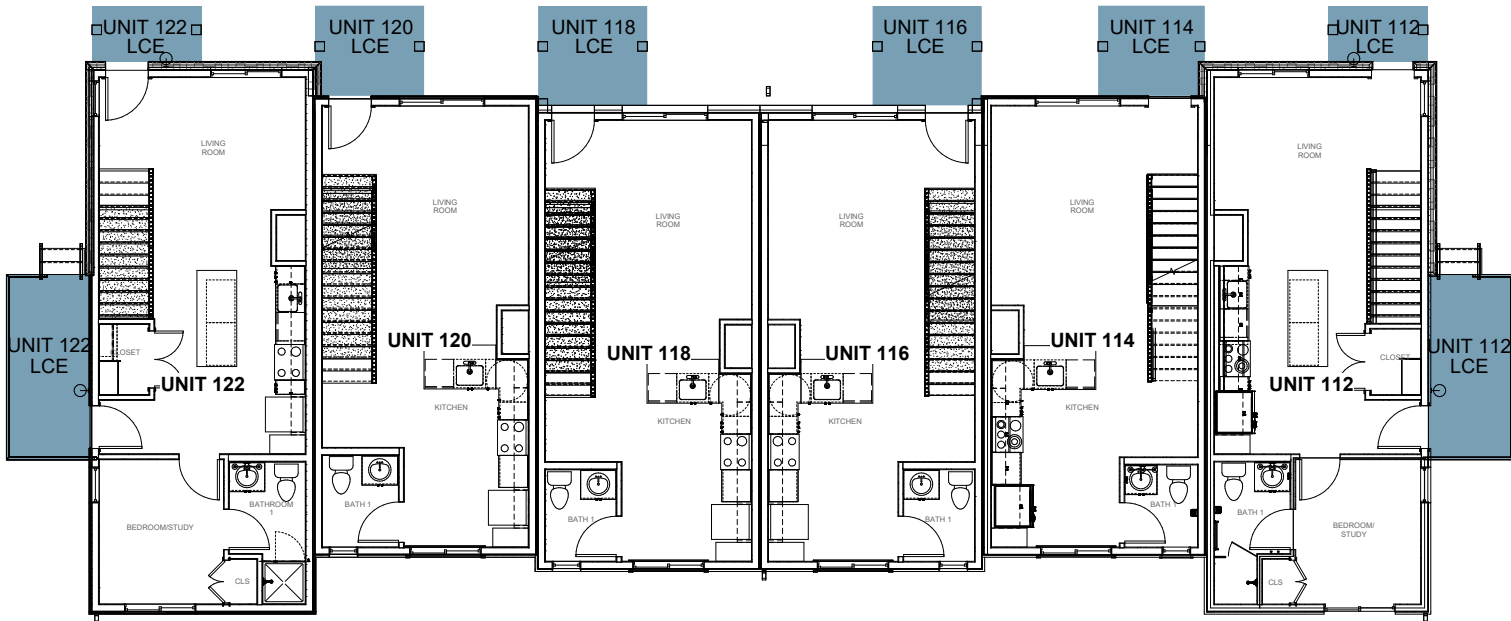
- LCE
- LCE BUILDING C



BUILDING C - GROUND FLOOR - CONDO MAP

CONDO MAP LEGEND

LCE

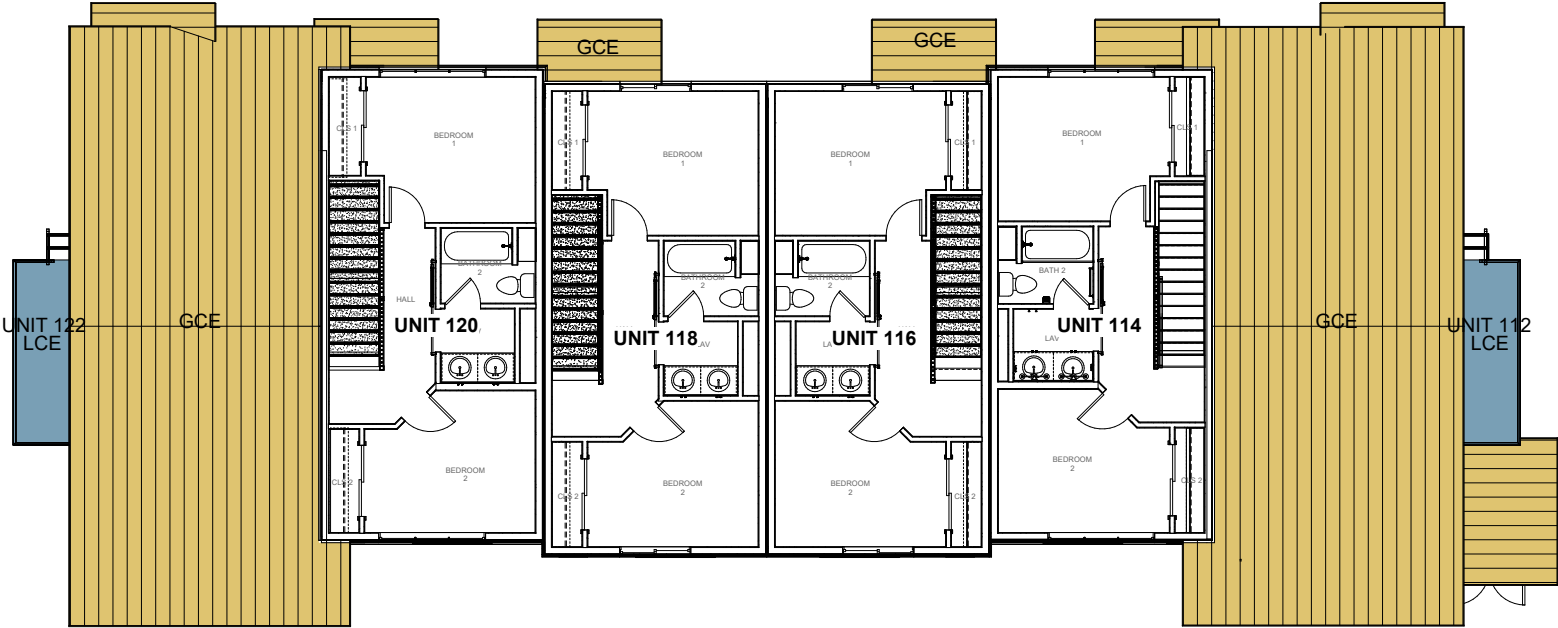


BUILDING C - FIRST FLOOR - CONDO MAP



CONDO MAP LEGEND

- GCE
- LCE

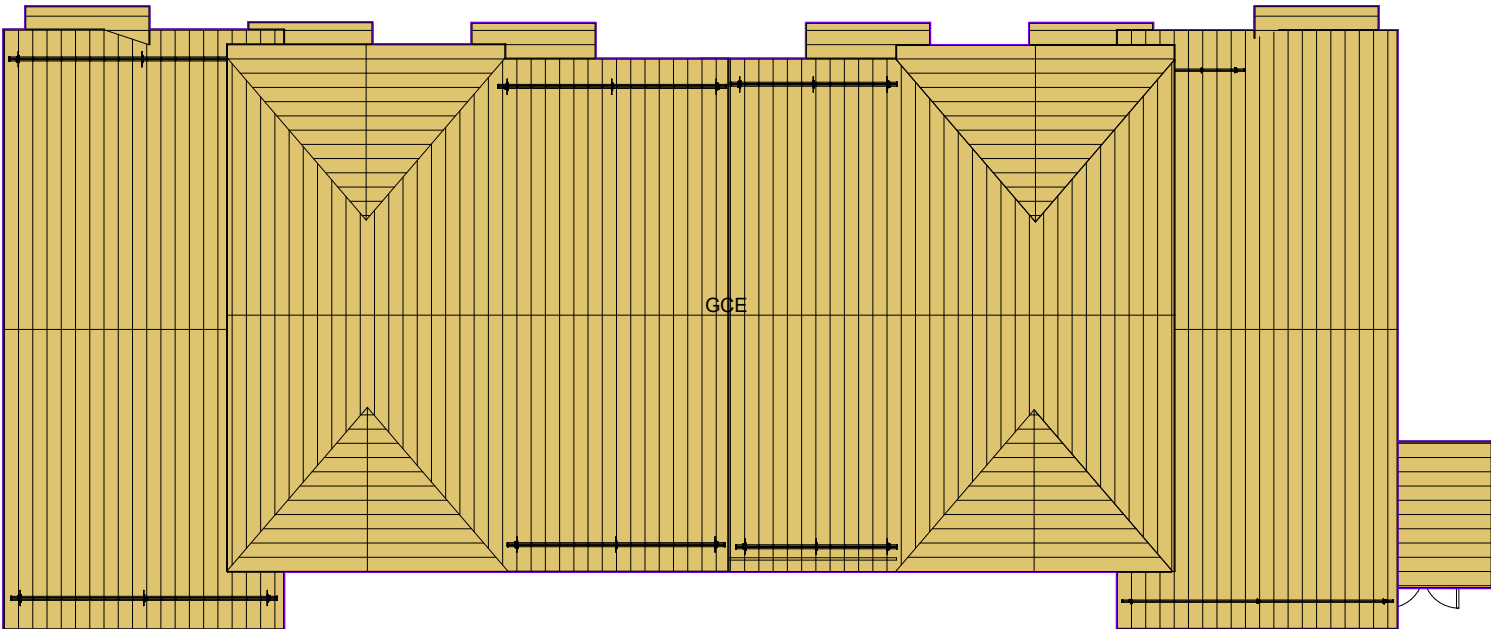


BUILDING C - SECOND FLOOR - CONDO MAP



CONDO MAP LEGEND

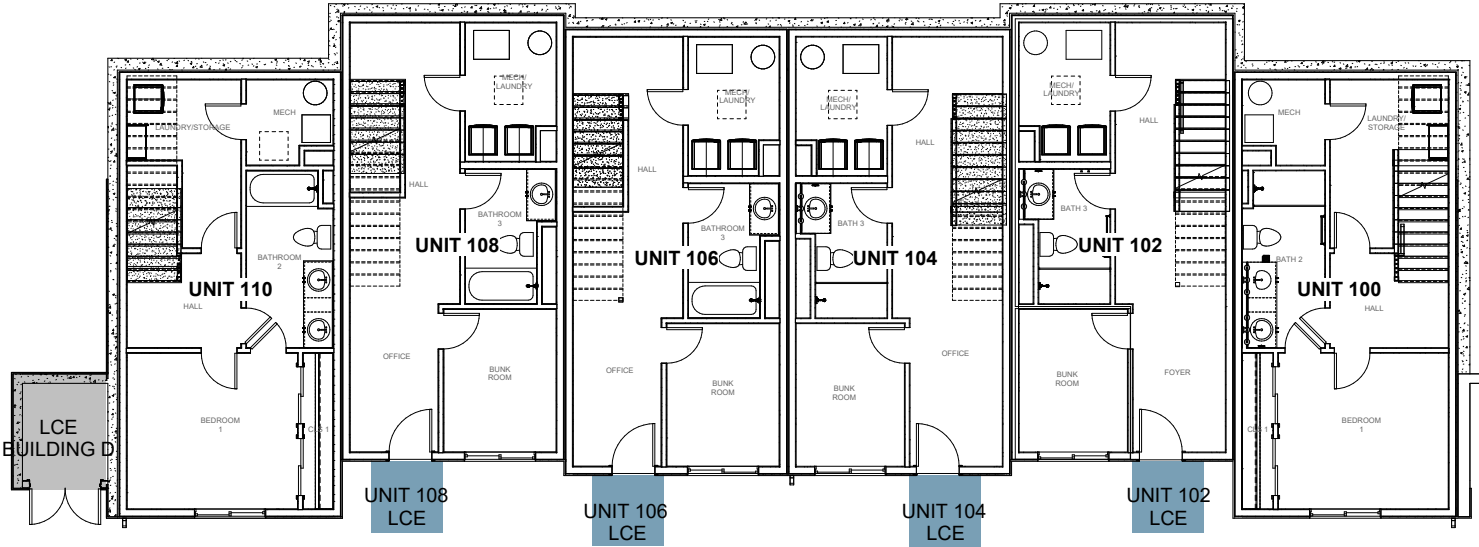
GCE



BUILDING C - ROOF PLAN - CONDO MAP

CONDO MAP LEGEND

- LCE
- LCE BUILDING D

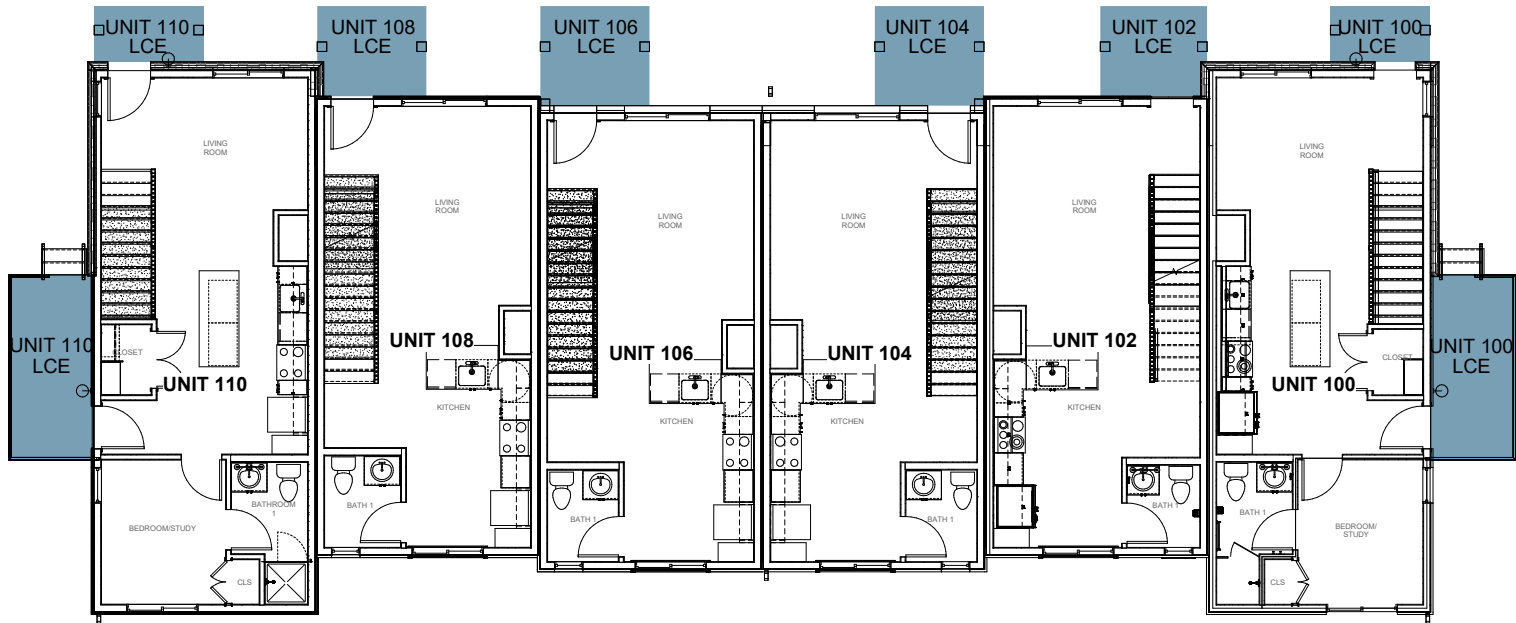


BUILDING D - GROUND FLOOR - CONDO MAP



CONDO MAP LEGEND

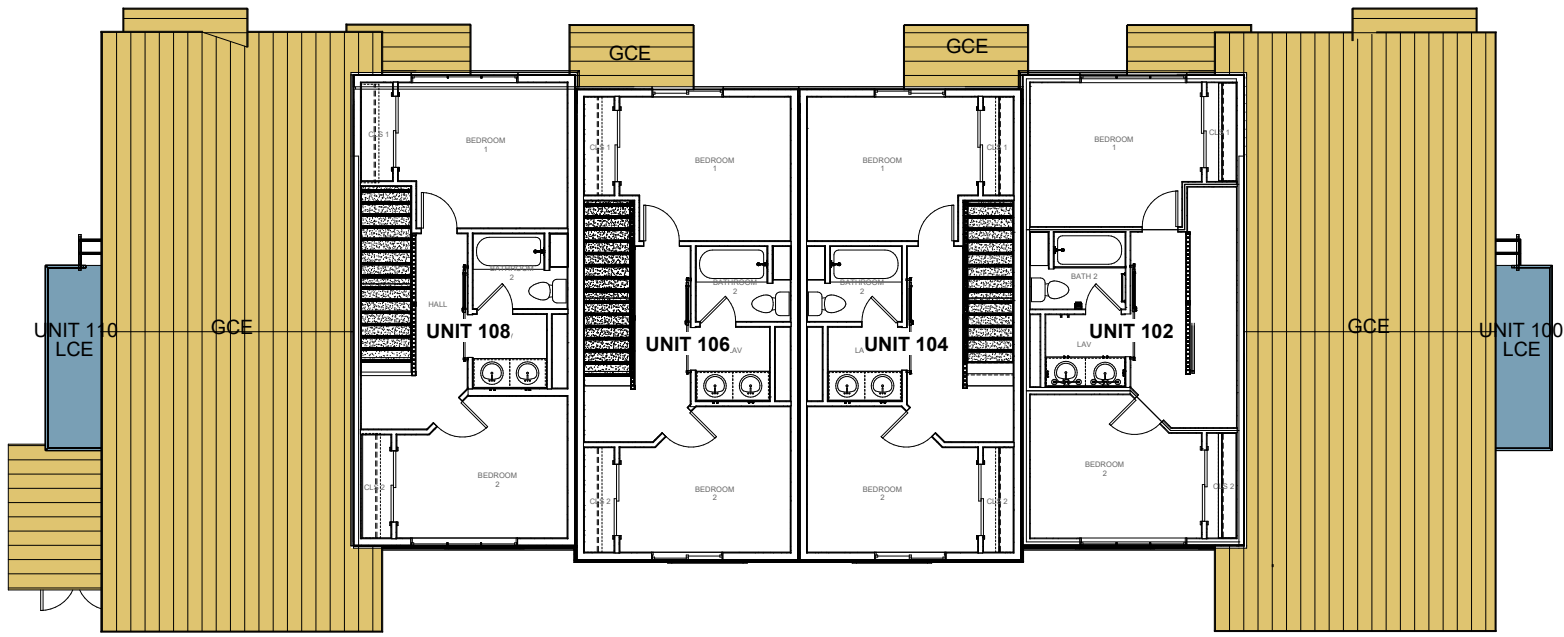
LCE



BUILDING D - FIRST FLOOR - CONDO MAP

CONDO MAP LEGEND

- GCE
- LCE

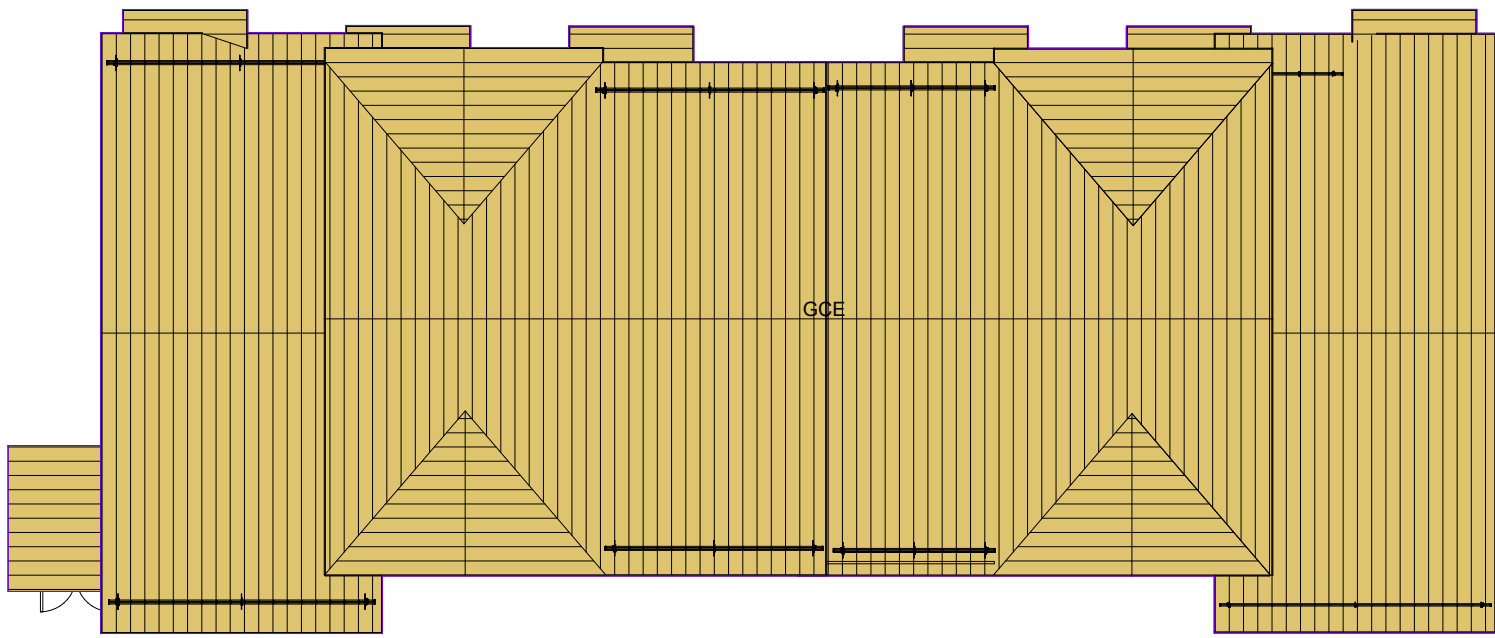


BUILDING D - SECOND FLOOR - CONDO MAP



CONDO MAP LEGEND

GCE



BUILDING D - ROOF PLAN - CONDO MAP





Articles of Incorporation for a Nonprofit Corporation

filed pursuant to § 7-122-101 and § 7-122-102 of the Colorado Revised Statutes (C.R.S.)

The domestic entity name of the nonprofit corporation is Meadowlark Owners' Association, Inc.

The principal office street address is 105 Edwards Village Blvd #C201
Edwards CO 81623
US

The principal office mailing address is PO Box 2444
Edwards CO 81632
US

The name of the registered agent is Michael O'Connor

The registered agent's street address is 105 Edwards Village Blvd #C201
Edwards CO 81623
US

The registered agent's mailing address is PO Box 2444
Edwards CO 81632
US

The person above has agreed to be appointed as the registered agent for this entity.

The name(s) and address(es) of the incorporator(s)

Packard and Dierking, LLC
2595 Canyon Blvd Ste 200
Boulder CO 80302
US

Voting members

There are voting members for the nonprofit corporation.

The distribution of assets for the nonprofit corporation:

See attachment.

Additional information the person(s) forming this entity determined to include is attached.

Causing this document to be delivered to the Secretary of State for filing shall constitute the affirmation or acknowledgment of each individual causing such delivery, under penalties of perjury, that the document is the individual's act and deed, or that the individual in good faith believes the document is the act and deed of the person on whose behalf the individual is causing the document to be delivered for filing, taken in conformity with the requirements of part 3 of article 90 of title 7, C.R.S., and, if applicable, the constituent documents, and the organic statutes, and that the individual in good faith believes the facts stated in the document are true and the document complies with the requirements of that Part, the constituent documents, and the organic statutes.

This perjury notice applies to each individual who causes this document to be delivered to the Secretary of State, whether or not such individual is named in the document as one who has caused it to be delivered.

Name(s) and address(es) of the individual(s) causing the document to be delivered for filing

Brigette M. Paige
2595 Canyon Blvd Ste 200
Boulder CO 80302
US

MEADOWLARK OWNERS' ASSOCIATION, INC.

(A Colorado Nonprofit Corporation)

ATTACHMENT TO ARTICLES OF INCORPORATION

1. PURPOSES AND POWERS. The Meadowlark Owners' Association, Inc. (the "*Association*") is organized to be and constitute the Association to which reference is made in the Condominium Declaration of Meadowlark at Mountain Village Community (the "*Declaration*"), to be recorded in the office of the Clerk and Recorder of the County of San Miguel, Colorado, as the same may be amended from time to time in accordance with the terms thereof. Capitalized terms not otherwise defined in these Articles of Incorporation ("*Articles*") will have the meanings ascribed to such terms in the Declaration. To the extent consistent with applicable law, these Articles, the Association's Bylaws and the Declaration, the Association will have all the powers necessary or desirable to effectuate its purposes as set forth herein and in the Declaration. It is hereby acknowledged that the provisions of the Declaration relating to the Association are binding upon the Association and its Members. In the event either these Articles or the Association's Bylaws conflict with the Declaration, the Declaration will control. In the event these Articles conflict with the Association's Bylaws, these Articles will control.

2. MEMBERSHIP. The Association will have voting Members whose rights and privileges are set forth in the Association's Bylaws and in the Declaration. Members of the Association will include every record Owner of a Unit, whether or not such Owners explicitly consent to membership. Membership in the Association is appurtenant to and may not be separated from ownership of any Unit. The rights of Members regarding voting, including those issues on which various Owners of Units may vote, and the number of votes associated with a particular Unit, are set forth in the Declaration and Bylaws.

3. DIRECTORS. The corporate powers and management of the Association are vested in and will be exercised by a Board of Directors. The Directors are to be appointed or elected as set forth in the Association's Bylaws and in the Declaration. The Board of Directors has all of the powers, authority and duties permitted under applicable law, these Articles, the Association's Bylaws and the Declaration necessary and proper to manage the business and affairs of the Association and to effectuate its purposes.

4. LIABILITY OF DIRECTORS. No Director will be personally liable to the Association for monetary damages for any breach of fiduciary duty as a Director, except that no Director's liability to the Association for monetary damages will be eliminated or limited on account of any of the following: (a) any breach of the Director's duty of loyalty to the Association or its Members; (b) any acts or omissions of the Director not in good faith or that involve intentional misconduct or a knowing violation of law; (c) the Director's assent to or participation in a loan by the Association to any Director of the Association; or (d) any transaction in which the Director received improper personal benefit. Nothing herein will be construed to deprive any Director of the right to all defenses ordinarily available to a Director nor will anything herein be construed to deprive any Director of any right for contribution from any other Director or other person. Any repeal or modification of this Article will be prospective

only and will not adversely affect any right or protection of a Director of the Association existing at the time of such repeal or modification.

5. INDEMNIFICATION. The Association will indemnify its Directors, employees and agents for actions taken on behalf of the Association to the full extent permitted under the Colorado Revised Nonprofit Corporation Act. The extent of such indemnification may be further set forth in the Association's Bylaws or the Declaration. Any repeal or modification of this Section 5 or the Bylaws will be prospective only and will not adversely affect any right or protection of a Director of the Association existing at the time of such repeal or modification.

6. DISSOLUTION. Upon any liquidation, dissolution, or winding up of the Association, and after paying or adequately providing for the payment of all of its obligations, the remainder of the assets of the Association will be distributed, either in cash or in kind, as determined by the Association's Board of Directors and in compliance with applicable provisions of the Colorado Common Interest Ownership Act, other Colorado law and federal law, as then in effect. Any assets that should be transferred to a creditor, claimant or Member who cannot be found or who is not legally competent to receive them will be reduced to cash and deposited with the state treasurer as property presumed to be abandoned under the provisions of Article 13 of Title 38, C.R.S.

7. AMENDMENTS TO ARTICLES. These Articles may be amended in any manner permitted by the Colorado Common Interest Ownership Act and the Colorado Revised Nonprofit Corporation Act, provided that no amendment to these articles may be inconsistent with any provision in the Declaration.

MEADOWLARK OWNERS' ASSOCIATION, INC.

BYLAWS

ARTICLE 1 SCOPE OF BYLAWS

1.1 **THE ASSOCIATION.** These Bylaws ("**Bylaws**") will apply to Meadowlark Owners' Association, Inc., a Colorado nonprofit corporation (the "**Association**"), a Colorado nonprofit corporation, the Articles of Incorporation (the "**Articles**") for which were filed with the Colorado Secretary of State on January 10, 2024. The Association was established pursuant to the Colorado Revised Nonprofit Corporation Act, C.R.S. §7-121-101 *et seq.* (the "**Nonprofit Act**") and shall operate thereunder and under the Colorado Common Interest Ownership Act, § 38-33.3-101 *et seq.*, as the same may be amended from time to time ("**CCIOA**").

1.2 **THE DECLARATION.** The Association is organized to manage and to perform functions on behalf of the common interest community subject to that certain Condominium Declaration of Meadowlark at Mountain Village Community (the "**Declaration**"), a copy of which Declaration is or will be recorded in the office of the Clerk and Recorder of the County of San Miguel, Colorado. In the event either the Articles or these Bylaws conflict with the Declaration, the Declaration will control. In the event the Articles conflict with these Bylaws, the Articles will control. In the event the Declaration conflicts with CCIOA, CCIOA will control.

ARTICLE 2 OFFICES AND AGENT

2.1 **PRINCIPAL OFFICE.** The principal office and place of business of the Association in the State of Colorado will be designated from time to time by the Board of Directors. Initially, the principal office will be as set forth in the Articles.

2.2 **REGISTERED OFFICE.** The registered office of the Association will be maintained in Colorado and may be, but need not be, the same as the principal office. The address of the registered office may be changed from time to time by the Board of Directors. Initially, the registered office will be as set forth in the Articles.

2.3 **REGISTERED AGENT.** The registered agent will be designated from time to time by the Association. Initially, the registered agent will be as set forth in the Articles.

ARTICLE 3 MEMBERSHIP

3.1 **CRITERIA AND PROCEDURES FOR MEMBERSHIP.** Members of the Association will be all record Owners of Units. Membership will be appurtenant to and may not be separated from ownership of any Unit. Ownership of a Unit will be the sole qualification for membership. If fee simple title to a Unit is held by more than one person or entity, then such persons or entities will jointly appoint one person to exercise the rights and obligations of membership in the Association on behalf of such persons or entities. The membership of the Association will always consist exclusively of all Owners of Units.

3.2 **MEMBERSHIP.** Membership will accrue automatically to all Owners of Units. The Association may levy monetary Assessments and fines on Members as set forth in the Declaration and the documents promulgated by or for the Association thereunder.

3.3 **RIGHTS AND OBLIGATIONS OF MEMBERS.** The rights and obligations of Members regarding voting, including those issues on which various Members may vote and the number of votes associated with a particular Unit, are as set forth in Section 9.3 of the Declaration, which will control the terms and conditions of voting by Members in the Association.

3.4 **TRANSFER OF MEMBERSHIP.** Membership will be appurtenant to and may not be separated from ownership of any Unit. Membership may not be transferred other than by transfer of an interest in the Unit to which the membership is appurtenant, as set forth in the Declaration.

3.5 **RESIGNATION.** A Member may not resign at any time.

3.6 **TERMINATION OR SUSPENSION.** A Member will cease to be a Member only when such Member no longer owns a Unit. Such termination of membership does not relieve the Member from any obligations the Member may have to the Association as a result of obligations incurred or commitments made prior to termination. The Board of Directors may suspend the voting rights of a Member as set forth in the Declaration so long as the provisions for notice and hearing as set forth in Article 12 below are satisfied. Any proceeding challenging a suspension (including a proceeding in which defective notice is alleged) shall be addressed in accordance with the dispute resolution procedures. Suspension of voting rights in no way relieves a Member from the obligation to pay any Assessment properly imposed by the Board of Directors in accordance with the Declaration.

3.7 **LIMITATIONS ON USE OF MEMBERSHIP LIST.** The membership list may only be used pursuant to provisions of CCIOA.

ARTICLE 4 MEMBERSHIP MEETINGS

4.1 **ANNUAL MEETING.** There will be an annual meeting of the Members of the Association. The annual meeting of the Members will be held at a time, date and place established by resolution of the Board of Directors each year for the purpose of electing directors (the “*Directors*”) and for the transaction of such other business as may come before the meeting.

4.2 **REGULAR MEETINGS.** Regular membership meetings may be held at a time, date and place stated in or fixed in accordance with a resolution of the Board of Directors.

4.3 **SPECIAL MEETINGS.** Special meetings of the Members may be called at any time by the President, the Board of Directors or by Members holding at least twenty percent (20%) of all Voting Interests in the Association. When calling special meetings, Members must make a written demand on the Board of Directors to notify the membership of the time, place, and purpose of the special meeting. The purpose of any special meeting of the Members must be stated in the notice of the meeting to the membership. Only business within the purpose or purposes described in the notice of the meeting may be conducted at a special meeting of Members. Special meetings will be held at such time and place as may be designated by the authority calling such meeting.

4.4 COURT ORDERED MEETINGS. A Member may apply to the Colorado district court located in San Miguel County, Colorado, to seek an order that a membership meeting be held as set forth and in compliance with the Nonprofit Act.

4.5 PLACE OF MEETING. The entity or person(s) calling for a meeting, whether the Board of Directors or a group of Members, may designate any place in San Miguel County, Colorado, as the place for the meeting. If no designation of place is made in the notice thereof to the membership, the place of meeting will be the principal office of the Association or as otherwise authorized by law.

4.6 NOTICE OF MEETINGS. Notice must be given to each Member entitled to vote at a meeting. The method of notice will be as set forth in Section 12.1 below. Notice must state the place, date and hour of the meeting and must be given not less than ten (10) nor more than fifty (50) days before the date of the meeting.

Notice of a special or regular meeting must include a description of the purpose or purposes of the meeting. Notice of an annual meeting need not include a description of the purpose or purposes of the meeting, except that the purpose or purposes must be stated with respect to: (a) any proposed amendment to or restatement of the Articles, these Bylaws or the Declaration; (b) any proposed merger of the Association with another entity; (c) any proposed sale, lease, or exchange of all or substantially all of the property of the Association; (d) any proposed dissolution of the Association; or (e) any other purpose for which a statement of purpose is required by the Nonprofit Act. When giving notice of an annual, regular, or special meeting, the Association will provide notice of a matter a Member intends to raise at the meeting if the Board of Directors receives notice of such intention at least ten (10) days before the Association gives notice of the meeting.

4.7 ADJOURNMENT OF MEETING. At any meeting of the Members, a vote of more than fifty percent (50%) of the Voting Interests present may adjourn the meeting to another time. When a meeting is adjourned to another date, time or place, notice need not be given of the new date, time or place if the new date, time or place of such meeting is announced before adjournment of the meeting at which the adjournment is taken. At the adjourned meeting the Association may transact any business that may have been transacted at the original meeting.

4.8 WAIVER OF NOTICE. A Member may waive notice of a meeting before or after the time and date of the meeting by a writing signed by such Member. Such waiver should be delivered to the Association for filing with the corporate records, but this delivery and filing will not be conditions to the effectiveness of the waiver. Further, by attending a meeting either in person or by proxy, a Member waives objection to lack of notice or defective notice of the meeting unless the Member objects at the beginning of the meeting. By attending the meeting, the Member also waives any objection to consideration at the meeting of a particular matter not within the purpose or purposes described in the meeting notice unless such Member objects at the beginning of the meeting.

4.9 TYPES OF COMMUNICATION IN LIEU OF ATTENDANCE. Any or all of the Members may participate in an annual, regular or special meeting by, or the meeting may be conducted through the use of, an electronic or telephonic communication method whereby the Member may be heard by the other Members and may hear the deliberations of the other Members on any matter properly brought before the Members; or by participating in “real time” electronic communication in which all Members are participating in this form of communication. The vote of such Member shall be counted and the presence noted as if that Member was present in person on that particular matter.

4.10 ACTION BY MEMBERS WITHOUT MEETING.

(a) Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting if Members entitled to vote thereon unanimously agree and consent to such action in writing; provided, however, that no action taken pursuant to this Section 4.9 shall be effective unless writings describing and consenting to the action, signed by all Members entitled to vote thereon and not revoked, are received by the Association within sixty (60) days after the date the earliest dated writing describing and consenting to the action is received by the Association. In the event action is taken with less than unanimous consent of all Members entitled to vote upon the action, the Association shall, promptly after all of the writings necessary to effect the action have been received by the Association, give notice of such action to all Members who were entitled to vote upon the action in accordance with C.R.S. §7-127-107(7).

(b) Action taken pursuant to this Section 4.9 shall be effective when the last writing necessary to effect the action is received by the Association, unless the writings describing and consenting to the action state a different effective date. The record date for determining Members entitled to take action without a meeting under this Section 4.9 is the first date upon which the Association receives a writing consenting to such action.

(c) Any Member who has provided a written consent to an action taken pursuant to this Section may revoke such consent by a writing signed and dated by the Member describing the action and stating that the Member's prior consent thereto is revoked, provided that such writing is received by the Association before the last writing necessary to effect the action is received by the Association.

(d) All communications under this section may be transmitted or received by the Association by electronically transmitted facsimile, e-mail, or other form of wire or wireless communication, provided that the Association receives a complete copy of such communication, including a copy of the Member's signature. All such actions will have the same effect as action taken at a meeting and shall be filed with the minutes of the meetings of the Members.

4.11 FIXING OF RECORD DATE. For the purpose of: (a) determining Members entitled to notice of or to vote at any meeting of Members or any adjournment thereof; or (b) making a determination of Members for any other proper purpose, the Board of Directors may fix a future date as the record date for any such determination of Members. Such date, in any case, may not be more than seventy (70) days nor less than ten (10) days prior to the date on which the particular action requiring such determination of Members is to be taken. If no record date is fixed by the Directors, the record date will be the day before the notice of the meeting or other action is given to Members. When a determination of Members entitled to vote at any meeting of Members is made as provided in this Section, such determination will apply to any adjournment thereof unless the Board of Directors fixes a new record date, which it must do if the meeting is adjourned to a date more than one hundred twenty (120) days after the date fixed for the original meeting. Unless otherwise specified when the record date is fixed, the time of day for such determination will be as of the Association's close of business on the record date.

Notwithstanding the above, the record date for determining the Members entitled to action without a meeting or entitled to be given notice of action so taken will be the date a writing upon which the action is taken is first received by the Association. The record date for determining Members entitled to demand a special meeting will be the date of the earliest of any of the demands pursuant to which the meeting is called.

ARTICLE 5

MEMBERSHIP AND MORTGAGEES VOTING

5.1 VOTING ENTITLEMENT. As set forth in the Declaration, certain action of the Association must be taken, and other action of the Association may be taken, by a vote of the Members and, in some instances, First Mortgagees. The allocation of voting rights to Members and First Mortgagees, the matters on which a vote of Members and First Mortgagees must or may be taken, and the number of votes required to constitute an affirmative vote or for action pursuant thereto to be taken will be as set forth herein and in the Declaration.

5.2 VOTING LISTS. After a record date is fixed for a membership meeting or for determining the Members entitled to vote by written ballot, the Board of Directors will make, at the earlier of ten (10) days before such meeting or two (2) business days after notice of the meeting has been given, a complete list of the Members entitled to be given notice of such meeting or any adjournment thereof. The list will be arranged in alphabetical order and will show the name and address of each Member and number of votes to which each Member is entitled. For the period beginning ten (10) days prior to the meeting and continuing through the meeting and any adjournment thereof, this list will be kept on file at the principal office of the Association. Such list will be available for inspection on written demand by any Member or the Member's agent or attorney during regular business hours during the period available for inspection. Any Member or the Member's agent or attorney may copy the list during regular business hours, at its own expense, during the period it is available for inspection.

If the list is prepared in connection with a written ballot, the list will be available for inspection beginning on the date the first written ballot is delivered and continuing through the time when such written ballots must be received by the Association in order to be counted.

5.3 QUORUM AND MANNER OF VOTING. Except as otherwise provided in the Declaration or otherwise required by CCIOA or the Nonprofit Act, Members with at least fifty percent (50%) of the Voting Interests entitled to be cast on a matter will constitute a quorum for action on the matter. If, and only if, a quorum exists and is present, such matter will be approved by a vote Members holding more than fifty percent (50%) of such Voting Interests, unless a greater number of votes is required by law, the Articles, the Declaration or these Bylaws. Only Members eligible to vote may cast proxies for other Members and only Members eligible to vote may be considered present. Votes for election of Directors shall be taken by secret ballot, and upon the request of one or more Members, a vote on any other issue on which all Members are entitled to vote shall be by secret ballot.

5.4 PROXIES. Votes allocated to a Unit may be cast pursuant to a proxy duly executed by a Member. If a Unit is owned by more than one (1) person or entity, each Member may vote or register protest to the casting of votes by the other Members through a duly executed proxy filed with the Board of Directors before or at the time of the meeting. A Member may not revoke a proxy given pursuant to this Section except by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. A proxy terminates eleven (11) months after its date unless it specifies a shorter term.

The death or incapacity of the Member appointing a proxy does not affect the right of the Association to accept the proxy's authority unless notice of the death or incapacity is received by the Board of Directors or an agent authorized to tabulate votes before the proxy exercises its authority under the appointment.

The Association will not be required to recognize an appointment made irrevocable if it has received a writing revoking the appointment signed by the Member either personally or by the Member's

attorney-in-fact, notwithstanding that the revocation may be a breach of an obligation of the Member to another person not to revoke the appointment.

5.5 ASSOCIATION'S ACCEPTANCE OF VOTES. If the name signed on a vote, consent, waiver, proxy appointment or proxy appointment revocation corresponds to the name of a Member, the Association, if acting in good faith, is entitled to accept the vote, consent, waiver, proxy appointment or proxy appointment revocation and give it effect as the act of the Member. If the name signed on a vote, consent, waiver, proxy appointment or proxy appointment revocation does not correspond to the name of the Member, the Association, if acting in good faith, is nevertheless entitled to accept the vote, consent, waiver, proxy appointment or proxy appointment revocation and to give it effect as the act of the Member if: (a) the Member is an entity and the name signed purports to be that of an officer or agent of the entity; (b) the name signed purports to be that of an administrator, executor, guardian or conservator representing the Member and, if the Association requests, evidence of fiduciary status acceptable to the Association has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation; (c) the name signed purports to be that of a receiver or trustee in bankruptcy of the Member and, if the Association requests, evidence of this status acceptable to the Association has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation; (d) the name signed purports to be that of a pledgee, beneficial owner or attorney-in-fact of the Member, and if the Association requests, evidence acceptable to the Association of the signatory's authority to sign for the Member has been presented with respect to the vote, consent, waiver, proxy appointment or proxy appointment revocation; or, (e) the acceptance of the vote, consent, waiver, proxy appointment or proxy appointment revocation is otherwise proper under rules established by the Association that are not inconsistent with this Section.

The Association is entitled to reject a vote, consent, waiver, proxy appointment or proxy appointment revocation if the Board of Directors or an agent authorized to tabulate votes, acting in good faith, has reasonable basis for doubt about the validity of the signature on it or about the signatory's authority to sign for the Member.

Neither the Association, the Board of Directors, nor any agent who accepts or rejects a vote, consent, waiver, proxy appointment or proxy appointment revocation in good faith and in accordance with the standards of this Section is liable in damages for the consequences of the acceptance or rejection.

5.6 ACTION BY WRITTEN BALLOT. Any action, except removal of a Director as set forth in Section 6.8 hereof, that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter. "Delivery" of a ballot to a Member and the return of the completed ballot shall be made by the same methods available for providing notice to a Member as set forth in Sections 4.6 and **Error! Reference source not found..** The written ballot must: (a) set forth each proposed action; and (b) provide an opportunity to vote for or against the proposed action. Approval by written ballot will only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot must: (w) indicate the number of responses necessary to meet the quorum requirements; (x) state the percentage of approvals necessary to approve each matter other than election of Directors; (y) specify the time by which the ballot must be received by the Association in order to be counted; and (z) be accompanied by written information sufficient to permit each person voting to reach an informed decision. Written ballots may not be revoked, unless the Member casting the ballot appears in person at a meeting convened to consider any one or more of the matters on the ballot.

ARTICLE 6 BOARD OF DIRECTORS

6.1 QUALIFICATIONS; ELECTION; TENURE.

(a) Except as set forth in Section 6.3 of the Declaration, all Members of the Board of Directors of the Association must be natural persons. The Directors, who need not be residents of the State of Colorado, will manage the affairs of the Association. The initial number of Directors will be as set forth in Section 6.3 of the Declaration. Following the expiration of the Period of Declarant Control, the Board of Directors shall consist of three (3) Directors. The terms of the members of the Board elected by the Members shall be staggered so that one Director shall be elected to serve a one-year term, and the remainder shall be elected to serve two-year terms. At the expiration of the initial term of office for each respective member of the Board, his or her successor shall be elected to serve a term of two years. Directors may be elected by Owners for successive terms.

(b) A decrease in the number of Directors or in the term of office does not shorten an incumbent Director's term. Each Director shall hold office until the election and qualification of his or her successor. In the case where, through removal or resignation, the total number of Directors is less than three (3), the Board will be considered properly constituted until such vacancies are filled. Subject to compliance with applicable provisions of CCIOA, the number of Directors may be increased or decreased by amendment of these Bylaws.

6.2 ANNUAL MEETING. The annual meeting of the Board of Directors will be held immediately following and in the same place as the annual meeting of the Members, or on such other date and at such time and at such place in San Miguel County, Colorado, as a majority of the Board of Directors will determine. The annual meeting of the Board of Directors will be for the purpose of electing officers of the Association and for the transaction of such other business as may come before the meeting.

6.3 REGULAR MEETINGS. Regular meetings of the Board of Directors will be held. The Board of Directors may provide by resolution the time and place in San Miguel County, Colorado for the holding of regular meetings.

6.4 SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of any Director. Special meetings will be held at the date, time and place in San Miguel County, Colorado as may be designated by the authority calling such meeting.

6.5 QUORUM; VOTING.

(a) A quorum at all meetings of the Board of Directors will consist of a majority of the Directors holding office. Less than a quorum may adjourn from time to time without further notice until a quorum is secured. The act of a majority of the Directors present at a meeting at which a quorum is present will be the act of the Board of Directors.

(b) A Director who is present at a meeting of the Board of Directors is deemed to have assented to all action taken unless: (i) the Director objects at the beginning of the meeting, or promptly upon arrival, to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to any action taken; (ii) the Director contemporaneously requests that the Director's dissent or abstention as to any specific action taken be entered in the minutes; or (iii) the Director causes written notice of the Director's dissent or abstention as to any specific action to be received by the presiding officer

of the meeting before adjournment or by the Association promptly after adjournment. The right of dissent or abstention is not available to a Director who votes in favor of the action taken.

6.6 VACANCIES. Except in the case of removal of a Director pursuant to Section 6.8 below and as otherwise set forth in the Declaration, any vacancy in the Board of Directors will be filled by a vote of the Members of the Association entitled to elect such Director in accordance with the Declaration. A Director elected or appointed to fill a vacancy will serve for the unexpired term of such person's predecessor in office and until such person's successor is duly elected and qualified. Any position on the Board of Directors to be filled by reason of an increase in the number of Directors should be filled as soon as practicable after the time such increase is authorized.

6.7 RESIGNATION. A Director may resign at any time by giving written notice of resignation to the Association. The resignation is effective when the notice is received by the Association unless the notice specifies a later effective date. A Director who resigns may deliver a statement to that effect to the Colorado Secretary of State.

6.8 REMOVAL. Members owning at least sixty-seven percent (67%) of the Voting Interests who are present and entitled to vote at any meeting of Members may remove any Director (other than a Director appointed by Declarant) with or without cause; provided, however, that (i) notice that removal of one or more Directors must be given in the notice for the meeting, and (ii) the Director who is subject to removal at such a meeting must be given an opportunity to be heard. Written ballots given pursuant to Section 5.6 hereof shall not be utilized for this meeting. Any provision herein to the contrary notwithstanding, Directors elected through cumulative voting may not be removed if the number of votes cast against such removal would be sufficient to elect such Director if voted cumulatively at an election for such Director.

6.9 ACTION WITHOUT A MEETING.

(a) Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if a notice is transmitted in writing to each Director (a "**Board Notice**") and by the time stated in the Board Notice, each Director: (i) votes in writing in favor of such action; or (ii) (A) votes in writing against such action, abstains in writing from voting or fails to respond to vote; and (B) fails to demand in writing that action not be taken without a meeting.

(b) The Board Notice must: (i) set forth each proposed action to be taken; (ii) the time by which a Director must respond; (iii) that failure to respond by the time stated in the notice will have the same effect as abstaining in writing and failing to demand that action not be taken without a meeting; and (iv) any other matters that the Association determines to include.

(c) Action taken without a meeting will only be valid at the end of the time provided in the Board Notice if: (i) the affirmative votes in writing for such action received by the Association and not revoked equal or exceed the minimum number of votes that would be necessary to take such action at a meeting at which all of the Directors were present and voted; and (ii) the Association has not received a written demand by a Director that such action not be taken without a meeting (other than a demand that has been properly revoked).

(d) A Director who has voted, abstained, or demanded action not be taken without a meeting in writing may revoke such vote, abstention, or demand by delivering a written revocation of such action to the Association by the time stated in the Board Notice.

(e) Unless the Board Notice provides for a different effective date, action taken pursuant to this section shall be effective at the end of the time stated in the Board Notice.

(f) A written response by a Director under this Section shall include the identity of the Director, the vote, abstention, demand, or revocation of the Director, and the proposed action to which such vote, abstention, demand, or revocation relates.

(g) All communications under this Section may be transmitted or received by the Association by electronically transmitted facsimile, e-mail, or other form of wire or wireless communication. All such actions will have the same effect as action taken at a meeting and shall be filed with the minutes of the meetings of the Board of Directors.

6.10 COMPENSATION. No Director may receive any compensation for serving in such office, provided that the Association may reimburse any Director for reasonable expenses incurred in connection with service on the Board upon approval of all the other Directors. Receipts must be provided by any Director requesting reimbursement of expenses. Nothing herein shall prohibit the Association from compensating a Director or any entity with which a Director is affiliated for services or supplies furnished to the Association in a capacity other than as a Director pursuant to a contract or agreement with the Association, provided that such Director's interest was made known to the Board prior to entering into such contract and such contract was approved.

6.11 NOTICE. Notice of the date, time and place of any special meeting must be given to each Director at least three (3) days prior to the meeting by written notice either personally delivered or mailed to each Director at the Director's business. Notice will be deemed given and effective when personally delivered or, if mailed, on the earlier of: (a) three (3) business days after such notice is deposited in the United States mail, properly addressed, with first class postage prepaid; or (b) the date shown on the return receipt, if mailed by registered or certified mail return receipt requested, provided that the return receipt is signed by the Director to whom the notice is addressed.

6.12 WAIVER OF NOTICE. A Director may waive notice of a meeting before or after the time and date of the meeting by a writing signed by such Director. Such waiver should be delivered to the Association for filing with the corporate records, but such delivery and filing will not be conditions to the effectiveness of the waiver. Further, a Director's attendance at or participation in a meeting waives any required notice to the Director of the meeting unless at the beginning of the meeting, or promptly upon the Director's later arrival, the Director objects to holding the meeting or transacting business at the meeting because of lack of notice or defective notice and does not thereafter vote for or assent to action taken at the meeting. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting. If all Directors are present at any meeting, no notice shall be required and any business may be transacted at such meeting.

6.13 TYPES OF COMMUNICATION IN LIEU OF ATTENDANCE. Any or all of the Directors may participate in an annual, regular or special meeting by, or the meeting may be conducted through the use of, an electronic or telephonic communication method whereby the Director may be heard by the other Directors and may hear the deliberations of the other Directors on any matter properly brought before the Directors. The vote of such Director shall be counted and the presence noted as if that Director was present in person on that particular matter.

6.14 STANDARD OF CONDUCT FOR DIRECTORS. Each Director must perform his duties as a Director in compliance with the Nonprofit Act.

ARTICLE 7 OFFICERS AND AGENTS AND EMPLOYEES

7.1 GENERAL. The initial officers of the Association will be a President, a Secretary and a Treasurer. The officers will be appointed by the Directors and will initially be comprised of Directors. In addition, the Board of Directors may by resolution delegate any or all of its powers to a managing agent, provided that such delegation will not relieve the Board of Directors or the Association of any liabilities or obligations of the Board or the Association, including any liabilities or obligations arising under the Declaration, the Articles, these Bylaws, the Rules and regulations, if any, or CCIOA. The Board of Directors may also appoint such additional officers, assistant officers, committees and agents, including Vice Presidents, as they may consider necessary or advisable, who need not be Directors and who will be chosen in such manner and hold their offices for such terms and have such authority and duties as from time to time may be determined by the Board of Directors. One person may hold two offices, except that no person may simultaneously hold the offices of President and Secretary, or President and Treasurer. In all cases where the duties of any officer, agent or employee are not prescribed by the Bylaws or by the Board of Directors, such officer, agent or employee will follow the orders and instructions of the President. The Board may also engage other employees and agents as it deems necessary.

7.2 ELECTION. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board.

7.3 RESIGNATION AND REMOVAL OF OFFICERS. Upon an affirmative vote of a majority of the Directors, and subject to the terms of the Declaration, any officer may be removed, either with or without cause, and his or her successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. Any officer may resign at any time by giving written notice to the President or Secretary.

7.4 VACANCIES. A vacancy in any office, however occurring, may be filled by an affirmative vote of a majority of the Directors for the unexpired portion of the term.

7.5 PRESIDENT. The President will be the chief executive officer of the Association. He or she will preside at all meetings of the Members of the Association and of the Board of Directors. He or she will have all of the general powers and duties that are incident to the office of president of a nonprofit corporation organized under the laws of the State of Colorado. In addition, if required by the Declaration, following authorization or approval of the particular amendment as applicable, the President may prepare, execute, certify and record amendments to the Declaration on behalf of the Association.

7.6 VICE PRESIDENT. The Vice President, if any, will assist the President and will perform such duties as may be assigned to him or her by the President or by the Board of Directors. In the absence of the President, the Vice President designated by the Board of Directors or if there is no such designation, designated in writing by the President, will have the powers and perform the duties of the President.

7.7 SECRETARY. The Secretary will keep the minutes of the proceedings of the Members and the Board of Directors. He or she will see that all notices are duly given in accordance with the provisions of these Bylaws, the Declaration and as required by law. He or she will be custodian of the corporate records and of the seal of the Association and affix the seal to all documents when authorized by the Board of Directors. He or she will keep at its registered office or principal place of business within or outside Colorado a record containing the names and registered addresses of all Members, the designation of the Unit owned by each Member, and the name and address of each First Mortgagee. He or she will, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be

assigned to him or her by the President or by the Board of Directors. Assistant Secretaries, if any, will have the same duties and powers, subject to supervision by the Secretary.

7.8 TREASURER. The Treasurer will be the principal financial officer of the Association and will oversee an accountant, manager or other third party hired by the Association to handle the accounts of the Association. He or she will make such reports to the Board of Directors as may be required at any time. He or she will have such other powers and perform such other duties as may be from time to time prescribed by the Board of Directors or the President.

ARTICLE 8 CORPORATE DOCUMENTS AND RECORDS

8.1 CORPORATE RECORDS. The Association must keep as permanent records current copies of the Articles and these Bylaws and the books, records and financial statements of the Association as required by the Nonprofit Act and CCIOA.

8.2 INSPECTION AND COPYING OF CORPORATE RECORDS. The Association will make available for inspection, upon request, during normal business hours or under other reasonable circumstances, to Member and to their mortgagees, any such records. The Association may charge a reasonable fee for copying such materials.

8.3 AUDITS AND REVIEWS. The Association shall maintain financial records as required by CCIOA. The cost of any audit or review shall be a Common Expense unless otherwise provided in the Declaration.

8.4 STATEMENTS OF UNPAID ASSESSMENTS. The treasurer, assistant treasurer, a managing agent employed by the Association or, in their absence, any officer having access to the books and records of the Association may prepare, certify and execute statements of unpaid Assessments in accordance with Section 316 of CCIOA. The amount of the fee for preparing statements of unpaid Assessments and the time of payment shall be established by resolution of the Board of Directors. Any unpaid fees may be assessed as a Default Assessment against the Unit for which the certificate or statement is furnished.

ARTICLE 9 CONTRACTS, LOAN, DEPOSITS AND INVESTMENTS

9.1 CONTRACTS. So long as consistent herewith and with the Declaration and CCIOA, the Board of Directors may enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. The Board of Directors may delegate this authority to a managing agent, and such authority may be general or confined to specific instances.

9.2 LOANS. No loans will be contracted for on behalf of the Association and no evidence of indebtedness may be issued in the name of the Association unless authorized by a resolution of the Board of Directors. No loan will be made to any Director of the Association.

9.3 DEPOSITS. All funds of the Association not otherwise employed will be deposited from time to time to the credit of the Association in such banks, financial institutions, or other custodians as the Board of Directors may select.

9.4 INVESTMENT MANAGER. The Board of Directors will have the authority to designate any bank, trust company, brokerage firm, or investment advisor to manage the assets and the investment of the assets of the Association.

ARTICLE 10 INDEMNIFICATION

10.1 ACTIONS OTHER THAN BY OR IN THE RIGHT OF THE ASSOCIATION. The 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 Association) by reason of the fact that he or she is or was a member of the Board of Directors or officer of the Association, who is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' 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 that such individual reasonably believed to be in the best interests of the Association, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her 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 Association and, with respect to any criminal action or proceeding, had reasonable cause to believe his or her conduct was unlawful. Such liability shall be satisfied within 30 days after request therefor if there exists adequate operating funds but, if not, the funds shall be raised by a Special Assessment of the Members as quickly as possible, without the need of the Members' approval.

10.2 ACTIONS BY OR IN THE RIGHT OF THE ASSOCIATION. The 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 Association to procure judgment in its favor by reason of the fact that such person is or was a member of the Board of Directors or officer of the Association or is or was serving at the request of the Association in such capacity, against expenses (including expert witness fees, attorneys' 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 that he or she reasonably believed to be in the best interests of the 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 in the performance of his or her duty in the 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.

10.3 SUCCESSFUL ON THE MERITS. To the extent that a Director or any managing agent, officer, project manager, employee, fiduciary or agent of the Association has been wholly successful on the merits in defense of any action, suit or proceeding referred to in Sections 10.1 or 10.2 of this Article, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including expert witness fees, attorneys' fees and costs) actually and reasonably incurred by him or her in connection therewith.

10.4 DETERMINATION REQUIRED. Any indemnification under Sections 10.1 or 10.2 of this Article (unless ordered by a court) and as distinguished from Section 10.3, shall be made by the 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 set forth

in Sections 10.1 or 10.2 above. Such determination shall be made by the Board of Directors by majority vote of a quorum consisting of those Directors who were not parties to such action, suit or proceeding or, if a majority of disinterested Directors so directs, by independent legal counsel or by Members entitled to vote thereon. Such determination shall be reasonable, based on substantial evidence of record, and supported by a written opinion. The Board of Directors shall provide a copy of its written opinion to the officer or Director seeking indemnification upon request.

10.5 PAYMENT IN ADVANCE OF FINAL DISPOSITION. The 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 (i) the Director or officer furnishes to the Association a written affirmation of the Director's or officer's good faith belief that he or she has met the standard of conduct described in Sections 10.1 or 10.2; (ii) the Director or officer furnishes to the 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 (iii) 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 Section 10.5 shall be an unlimited general obligation of the Board of Directors or officer, but need not be accepted by the subject Director or officer or may be accepted without reference to financial ability to make repayment.

10.6 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 Directors or otherwise, nor by any rights that are granted pursuant to the Nonprofit Act and CCIOA. Upon a vote of the Board of Directors, the Association may also indemnify a Member appointed by the Board to serve on a committee (when such committee member is not also a Director) upon such terms and conditions as the Board of Directors shall deem just and reasonable.

10.7 DIRECTORS AND OFFICERS INSURANCE. The Association shall 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 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 Association would have the power to indemnify such individual against such liability under the provisions of this Article 10.

ARTICLE 11 AMENDMENTS

These Bylaws may be amended by a vote of a majority of a quorum of the Board at a regular or special meeting of the Board. These Bylaws may be amended at any regular meeting of the Members or at any special meeting called for the purpose of amending the Bylaws, by the affirmative vote of a majority of a quorum of Members present at the meeting in person or represented by proxy and eligible to vote. Any amendment shall be binding upon every Member. Any provision of these Bylaws adopted at a regular or special meeting of the Members may thereafter only be amended at a regular or special meeting of the Members. No amendment shall serve to (a) shorten the term of any member of the Board, (b) conflict with CCIOA, the Articles or any provision in the Declaration, or (c) delete any provision that must be contained in these Bylaws pursuant to the terms of CCIOA or the Declaration.

ARTICLE 12 METHOD OF NOTICE AND HEARINGS

12.1 METHOD OF NOTICE.

(a) Any notice to a Member by the Association or by another Member will be sufficiently given if in writing and hand delivered, sent by facsimile transmission, or sent by U.S. mail, postage prepaid (provided that if a notice is sent by facsimile transmission, a copy shall be mailed by mail no later than the next business day), at the address registered with the Association as provided in Section 24.12 of the Declaration. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his address as it appears on the records of the Association, with postage thereon prepaid. If electronic means are available to the Association, the Association shall provide notice of regular and special meetings by electronic mail to all Members who so request and furnish the Association with their electronic mail address. Electronic notice of special meetings shall be provided as soon as possible, but at least twenty-four (24) hours prior to the special meeting.

(b) All notices, demands or other notices intended to be served upon the Association or the Board of Directors of the Association will be sent by one of the methods described in Section 13.4 below.

12.2 HEARINGS. Before the Board of Directors may suspend a Member's voting rights, levy an individual Assessment upon a Member or impose a fine upon a Member (other than late fees and default interest charged and collected pursuant to the Association's Policies), as set forth in the Declaration, the Board of Directors must provide the Member with notice of the proposed action and the opportunity for a hearing. The Member must be given not less than fifteen (15) days prior written notice of the proposed action and the reasons therefor. The Member must have an opportunity to be heard, orally or in writing, by the Board of Directors not less than five (5) days before the effective date of action.

ARTICLE 13 MISCELLANEOUS

13.1 FISCAL YEAR. The fiscal year of the Association will be determined by the Board of Directors.

13.2 GENDER. The masculine gender is used in these Bylaws as a matter of convenience only and will be interpreted to include the feminine and neuter genders as the circumstances indicate.

13.3 DEFINITIONS. Capitalized terms not otherwise defined in these articles will have the meanings ascribed to such terms in the Declaration or the Nonprofit Act, as the case may be.

13.4 RECEIPT OF NOTICES BY THE ASSOCIATION. Notices, Member writings consenting to action, and other documents or writings will be deemed to have been received by the Association when they are actually received: (1) at the registered office of the Association in Colorado; or (2) at the principal office of the Association (as that office is designated in the most recent document filed by the Association with the Secretary of State for Colorado designating a principal office) addressed to the Association.

13.5 EMERGENCY POWERS AND BYLAWS. An "emergency" exists for the purposes of this Section if a quorum of the Directors cannot readily be obtained because of some catastrophic event. In the event of an emergency, the Board of Directors may: (a) modify lines of succession to accommodate the incapacity of any Director, employee or agent; and (b) relocate the principal office, designate alternative

principal offices or regional offices, or authorize others to do so. During an emergency, notice of a meeting of the Board of Directors only needs to be given to those Directors whom it is practicable to reach and may be given in any practicable manner including by publication or radio. Corporate action taken in good faith during an emergency binds the Association and may not be the basis for imposing liability on any Director, employee or agent of the Association on the ground that the action was not authorized. The Board of Directors may also adopt emergency bylaws, subject to amendments or repeal by the Members, which may include provisions necessary for managing the Association during the emergency including: (x) procedures for calling a meeting of the Board of Directors; (y) quorum requirements for the meeting; and (z) designation of additional or substitute Directors. The emergency bylaws will remain in effect only during the emergency and will cease to be of effect when the emergency ends.

13.6 DISTRIBUTIONS. The term “distribution” means the payment of a dividend or any part of the income or profit of the Association to its Directors or Members. The Association will not make any distribution except as follows: (a) to pay compensation in a reasonable amount to its Directors, Members, agents or employees for services rendered; (b) to confer benefits upon its Members in conformity with its purposes; (c) to make distributions upon dissolution in compliance with applicable law; and (d) to satisfy its indemnification obligations pursuant to Article 10 hereof.

13.7 PRESENCE. Except with respect to a meeting called pursuant to Section 6.8 hereof, the terms “present” and “presence” with respect to a Member, Director or officer means attendance in person, by proxy (to the fullest extent provided by the Nonprofit Act), via telephonic or other electronic means or via “real time” e-mail.

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

The above Bylaws were approved and adopted by the Board of Directors of Meadowlark Owners’ Association, Inc., effective as of _____, 2024.

_____, Secretary

Exhibit 2c

**RESOLUTION
OF THE
MEADOWLARK OWNERS' ASSOCIATION, INC.**

POLICIES AND PROCEDURES

SUBJECT: Adoption of Policies and procedures for the Association regarding the following:

1. Investment of Reserves;
2. Inspection and Copying of Association Records;
3. Covenant and Rule Enforcement;
4. Board Member Conflicts of Interest;
5. Conduct of Meetings;
6. Collection of Unpaid Assessments;
7. Dispute Resolution;
8. Document Retention and Destruction Policy; and
9. Adoption of Policies, Procedures, Rules, Regulations and Guidelines.

PURPOSES: To comply with Colorado law.

AUTHORITY: The Association's Articles of Incorporation and Bylaws, the Condominium Declaration of Meadowlark at Mountain Village Community, and Colorado law.

EFFECTIVE DATE: _____, 2024

RESOLUTION: The Association hereby adopts the following Policies and procedures subject to:

(a) Definitions. Capitalized terms, unless otherwise defined herein, will have the same meanings ascribed to such terms in the Condominium Declaration of Meadowlark at Mountain Village Community recorded in the records of San Miguel County, Colorado, as the same may be amended from time to time ("**Declaration**").

(b) Supplement to Law. The provisions of this Resolution of the Meadowlark Owners' Association, Inc. Policies and Procedures ("**Resolution**") shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the Community.

(c) Deviations. The Board of Directors may deviate from the procedures set forth if in its sole discretion such deviation is reasonable under the circumstances.

(d) Amendment. The following Policies may be amended from time to time by the Board of Directors pursuant to the provisions of the Declaration and the Bylaws.

To the extent that any provision of this Resolution conflicts with any provision of the Declaration, the Articles of Incorporation, or the Bylaws of the Association, the terms and provisions of the Declaration, Articles of Incorporation or Bylaws, as applicable, will control.

1. INVESTMENT OF RESERVE POLICY

A. SCOPE. In order to maintain areas in the Community that are the responsibility of the Association, to comply with state statutes and to manage the Reserve Fund, the Board of Directors determines that it is necessary to have policies and procedures for the investment of the Reserve Fund.

B. PURPOSE OF THE RESERVE FUND. The purpose of the reserve fund established under the Budget (the “Reserve Fund”) shall be to fund and finance the projected repair and replacement of those portions of the Community that the Association is responsible for and for such other funding as the Board of Directors may determine, in its reasonable discretion.

C. INVESTMENT STRATEGY. The reserve fund portfolio shall consist largely of a savings account, money market accounts and/or certificates of deposit. The Association shall not invest in the following asset classes: (i) individual stocks; (ii) equity mutual funds, domestic or foreign; (iii) mutual funds consisting of bonds or mortgages and or derivatives; (iv) options on equity, debt or commodities; (v) floating rate securities; or (vi) investment in a single institution in excess of FDIC insurance limits. The Board of Directors acknowledges that the Association, the Board of Directors and its officers are bound by the standards of conduct in the Colorado Revised Nonprofit Corporation Act (C.R.S. §7-121-401) with respect to investment of reserves.

D. INVESTMENT OF RESERVES. The Board of Directors shall invest funds held in the Reserve Fund accounts to generate revenue that will accrue to the Reserve Fund account balances pursuant to the foregoing investment strategy and the following goals, criteria and Policies:

- i. Safety of Principal. Promote and ensure the preservation of the Reserve Fund’s principal.
- ii. Liquidity and Accessibility. Structure maturities to ensure availability of assets for projected or unexpected expenditures.
- iii. Minimal Costs. Minimize investment costs (redemption fees, commissions, and other transactional costs).

E. LIMITATION ON INVESTMENTS. Unless otherwise approved by the Board of Directors, all investments will be FDIC (Federal Deposit Insurance Corporation) insured and/or guaranteed by the United States Government.

F. INDEPENDENT PROFESSIONAL INVESTMENT ASSISTANCE. The Board of Directors, in its sole discretion, may hire a qualified investment counselor to assist in formulating a specific investment strategy.

G. REVIEW AND CONTROL. At least annually, the Board of Directors shall review Reserve Fund investments to ensure that the funds are receiving competitive yields and shall make adjustments as may be necessary, in the Board’s discretion.

H. RESERVE STUDY. In order to determine funding of the Reserve Fund, the Board of Directors may determine, in its sole discretion, with the assistance and advice of professionals, the life expectancy of those portions of the Community to be maintained by the Association and the anticipated costs of maintaining, replacing and improving those identified areas (hereinafter referred to as a “*Reserve Study*”). The Board of Directors may cause the Reserve Study, if any, to be reviewed and updated periodically in such periods of time deemed reasonable by the Board, to adjust and make changes in costs, inflation, interest yield on invested funds plus modification, addition or deletion of components.

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2. INSPECTION AND COPYING OF ASSOCIATION RECORDS

A. MAINTAIN RECORDS. The Association shall maintain all records required by C.R.S. 38-33.3-317, including the following:

- i. Minutes of all Board of Directors and Owner meetings.
- ii. All actions taken by the Board of Directors or Owners by written ballot or email in lieu of a meeting.
- iii. All actions taken by a committee on the behalf of the Board of Directors instead of the Board of Directors acting on behalf of the Association.
- iv. All waivers of the notice requirements for Owner meetings, Board of Directors, member meetings, or committee meetings.

B. INSPECTION/COPYING ASSOCIATION RECORDS. An Owner or its authorized agent is entitled to inspect and copy any of the books and records of the Association, subject to the exclusions, conditions and requirements set forth below:

- i. The inspection and/or copying of the records of the Association shall be at the Owner's expense;
- ii. The inspection and/or copying of the records of the Association shall be conducted during the Managing Agent's regular business hours at the Managing Agent's office.
- iii. The Owner shall provide Managing Agent with a written request, stating the purpose for which the inspection and/or copying is sought, at least five (5) business days before the date on which the Owner wishes to inspect and/or copy such records; and
- iv. The Owner shall complete and sign the Agreement Regarding Inspection and Copying of Association Records prior to the inspection and copying of any Association record. A copy of such Agreement is attached to this Resolution. Failure to properly complete or sign such Agreement shall be valid grounds for denying an Owner the right to inspect and/or copy any record of the Association.

C. PROPER PURPOSE/LIMITATION. Association records shall not be used by any Owner for:

- i. Any purpose unrelated to an Owner's interest as an Owner;
- ii. The purpose of soliciting money or property unless such money or property will be used solely to solicit the votes of the Owners in an election to be held by the Association;
- iii. Any commercial purpose;

- iv. For the purpose of giving, selling, or distributing such Association records to any person; or
- v. Any improper purpose as determined in the sole discretion of the Board of Directors.

D. EXCLUSIONS. The following records shall NOT be available for inspection and/or copying as they are deemed confidential:

- i. Attorney-client privileged documents and records, unless the Board of Directors decides to disclose such communications at an open meeting;
- ii. Any documents that are confidential under constitutional, statutory or judicially imposed requirements; and
- iii. Any documents, or information contained in such documents, disclosure of which would constitute an unwarranted invasion of individual privacy, including but not limited to, social security numbers, dates of birth, personal bank account information, and driver's license numbers.

E. FEES/COSTS. Any Owner requesting copies of Association records shall be responsible for all actual costs incurred by the Association, which have been determined to be Fifteen Cents (\$.15) per page, including the cost to search, retrieve, and copy the record(s) requested. In addition, the Association may charge Fifteen Dollars (\$15.00) per box to transport records from off-site storage to the Managing Agent's office and Fifteen Dollars (\$15) per box to return to off-site storage, provided that any documents maintained in electronic format may be provided to an Owner in electronic format at no cost. The Association may require a deposit equal to the anticipated actual cost of the requested records. Failure to pay such deposit shall be valid grounds for denying an Owner copies of such records. If after payment of the deposit it is determined that the actual cost was more than the deposit, Owner shall pay such amount prior to delivery of the copies. If after payment of the deposit it is determined that the actual cost was less than the deposit, the difference shall be returned to the Owner with the copies.

F. INSPECTION. The Association reserves the right to have a third person present to observe during any inspection of record by an Owner or the Owner's representative.

G. ORIGINAL. No Owner shall remove any original book or record of the Association from the place of inspection nor shall any Owner alter, destroy or mark in any manner, any original book or record of the Association.

H. CREATION OF RECORDS. Nothing contained in this Resolution shall be construed to require the Association to create records that do not exist or compile records in a particular format or order.

**AGREEMENT REGARDING INSPECTION AND COPYING OF RECORDS OF THE
MEADOWLARK OWNERS' ASSOCIATION, INC.**

I have requested to inspect and/or obtain copies of the following records for the MEADOWLARK OWNERS' ASSOCIATION, INC. (be as specific as possible):

The records shall be used for the following purpose(s) only:

I understand that under the terms of the Colorado Revised Nonprofit Corporation Act, Association records may not be obtained or used for any purpose unrelated to my interest(s) as an Owner. I further understand and agree that, without limiting the generality of the foregoing, Association records may not be:

(A) used to solicit money or property unless such money or property will be used solely to solicit the votes of the Owners in an election held by the Association;

(B) used for any commercial purpose;

(C) sold to, otherwise distributed to, or purchased by any person;

(D) any other purpose prohibited by law; or

(E) any purpose not related to the reason(s) specified in this Agreement.

In the event any document requested is used for an improper purpose or purpose other than that stated above, I will be responsible for any and all damages, penalties and costs incurred by the Association, including attorney fees resulting from such improper use, and I will indemnify and hold the Association harmless from and against the same. I will additionally be subject to any and all enforcement procedures available to the Association through its governing documents and Colorado law.

Understood and agreed to by:

Owner

Date: _____

Address

3. COVENANT AND RULE ENFORCEMENT

A. REPORTING VIOLATIONS. Complaints regarding alleged violations of the Rules, the Articles, Bylaws, and/or the Declaration of the Association (“**Complaint**”) may be reported by an Owner within the Community, a group of Owners within the Community, the Managing Agent, if any, any member of the Board of Directors (each, a “**Director**”) or any committee member(s) by submission of a written Complaint to the Board.

B. COMPLAINTS.

(a) Complaints by Owners within the Community shall be in writing and submitted to the Board of Directors. The complaining Owner shall have observed the alleged violation and shall identify the complainant (“**Complainant**”), the alleged violator (“**Violator**”), if known, and set forth a statement describing the alleged violation, referencing the specific provisions that are alleged to have been violated, when the violation was observed and any other pertinent information. Non-written complaints, or written complaints failing to include any information required by this provision, may not be investigated or prosecuted at the discretion of the Association.

(b) Complaints by a Director, a committee member, or the Managing Agent, if any, may be made in writing to the Board of Directors or by any other means deemed appropriate by the Board of Directors if such violation was observed by a Director, committee member or Managing Agent.

C. INVESTIGATION. Upon receipt of a Complaint by the Board, if additional information is needed, the Complaint may be returned to the Complainant with a request for additional information or may be investigated further by a Board-designated individual or committee. The Board of Directors shall have sole discretion in appointing an individual or committee to investigate the matter; provided, however, that the individual or committee so appointed shall conduct a fair and impartial fact-finding process to determine whether the alleged violation actually occurred and whether the alleged Violator should be held responsible for such violation.

D. WARNING LETTER. If a violation is found to exist, a warning letter (the “**Notice**”) shall be sent by registered or certified mail from the Board of Directors or the Managing Agent to the Violator explaining the nature of the violation. All Notices and correspondence pursuant to this Policy shall be sent by certified mail, return receipt requested, to the Violator’s address and also sent to any email address for the Violator provided to the Association. All Notices and correspondence pursuant to this Policy shall be in English and in the Violator’s preferred language as designated in writing to the Association.

i. If the violation threatens public safety or health, the Notice will describe the nature of the violation and advise the Violator that the violation must be corrected within seventy-two (72) hours; otherwise, fines may be assessed and the Association may seek to remedy the violation and otherwise protect its rights as set forth in the

Association Documents and this Resolution. At the conclusion of the seventy-two (72) hour period, the Association shall inspect the Violator's property to determine if the violation has been corrected. If the violation has not been corrected, the Association may impose fines as set forth in this Policy and take such other legal action as the Association deems appropriate to correct the violation.

ii. If the violation does not threaten public safety or health, the Notice will describe the nature of the violation and advise the Violator that the violation must be corrected within thirty (30) days; otherwise, fines may be assessed and the Association may seek to remedy the violation and otherwise protect its rights as set forth in the Association Documents and this Resolution. No later than seven (7) days following the conclusion of the thirty (30) day period, the Association shall inspect the Violator's property to determine whether the violation has been corrected. If the violation has not been corrected, the Association shall send a second Notice to the Violator advising that the violation has not been corrected and that the Violator has an additional thirty (30) days to correct the violation or may be fined, and that the Association may seek to remedy the violation and otherwise protect its rights as specified in the Association Documents and as provided by law. No later than seven (7) days following the conclusion of the second thirty (30) day period, the Association shall inspect the Violator's property to determine whether the violation has been corrected. If, at the conclusion of the second thirty (30) day period the violation has still not been corrected, the Association may impose fines as set forth in this Policy and take such other legal action as the Association deems appropriate to correct the violation.

(a) Before the expiration of either the first or second thirty (30) day cure period, the Violator may send the Association written notice that the violation has been cured, with visual evidence of the same, and the violation will be deemed cured as of the date the Violator sends such notice. If a notice of cured violation does not include visual evidence of the cure, then the Association shall inspect the Violator's property as soon as practicable to verify that the violation has been cured.

iii. If the Association determines a violation has been cured, the Association shall promptly notify the Violator that the violation has been cured and that the Violator will not be further fined with regard to the violation. The notice shall provide an accounting of any outstanding fine balance owed to the Association.

E. CONTINUED VIOLATION AFTER WARNING LETTER. If the Violator does not correct a violation within the applicable time period, or otherwise complete the cure of the violation within the time period specified by the Notice, the Board may impose a fine of One Hundred Dollars (\$100.00) and written notice of the fine shall be provided to the Violator ("**Initial Fine Letter**"). If the violation is not corrected within ten (10) days of the Initial Fine Letter, the Board may fine the Violator an additional One Hundred and Fifty Dollars (\$150.00) and written notice of the additional fine shall be provided to Violator ("**Second Fine Letter**"). If the violation is not corrected within ten (10) days of the Second Fine Letter, then the Board may fine the Violator Two Hundred and Fifty Dollars (\$250.00) and written notice of the fine shall be provided to the Violator. In the alternative, the Association may fine the Violator Fifty Dollars (\$50.00) every other day, up to a maximum fine of Five Hundred Dollars (\$500.00) until the violation is corrected. In no circumstance may any Violator be fined in excess of Five Hundred Dollars

(\$500.00) per violation. Except as provided herein, the Violator is responsible for notifying the Association in writing if and when the violation has been corrected.

F. NOTICE OF HEARING. If a hearing is requested by the alleged Violator, the Board of Directors, Managing Agent, committee or other person conducting such hearing, as may be determined in the sole discretion of the Board of Directors, will serve a written notice of the hearing to all parties involved at least fifteen (15) days prior to the hearing date.

G. HEARING. At the beginning of each hearing, the presiding officer shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing, as determined by the Board of Directors. Each party or designated representative, may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the given circumstances. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The Board of Directors shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board of Directors, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board of Directors shall, within a reasonable time, not to exceed ten (10) business days, render its written findings and decision, and impose fines, if applicable. A decision, either a finding for or against the Violator, shall be by a majority of the Board members present at the hearing. Failure to strictly follow the hearing procedures set forth above shall not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process.

H. FAILURE TO TIMELY REQUEST HEARING. If the alleged Violator fails to request a hearing within ten (10) days after the date of any notice letter, or fails to appear at a scheduled hearing, the Board of Directors may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be fined, the Board may file a lien and/or pursue any other cause of action the Association may have against such Violator.

I. NOTIFICATION OF DECISION. The decision of the Board of Directors, committee or other person, shall be in writing and provided to the Violator and Complainant within ten (10) business days of the hearing, or if no hearing is requested, within ten (10) business days of the final decision.

J. WAIVER OF FINES. The Board of Directors may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board of Directors may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Declaration or the Association's Articles, Bylaws or Rules; provided, however, that the Board seeks to uniformly enforce its right to waive such fines with respect to all Owners.

K. OTHER ENFORCEMENT MEANS. This enforcement process is adopted in addition to all other enforcement means that are available to the Association through its Declaration, Bylaws, Articles of Incorporation and Colorado law. The use of this process does not preclude the Association from using any other enforcement means, including, without limitation, the Association's right to cure any such violation.

L. DESIGNATED CONTACT. If an Owner desires to identify another person to serve as a designated contact for the Owner to be contacted on the Owner's behalf for purposes of contact related to a violation of a covenant or rule and the collection of unpaid assessments, the Owner may complete the form attached at the end of these Policies as Exhibit A, titled, "Designated Contact for Collection of Unpaid Assessments and Enforcement of Covenants and Rules," which form must be completed and delivered to the Association pursuant to the form's terms.

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4. BOARD MEMBER CONFLICTS OF INTEREST

A. DISCLOSURE OF CONFLICT. Any conflicting interest transaction (as defined in C.R.S. §7-128-501) on the part of any Director shall be disclosed to the other Directors at the first meeting of the Board of Directors at which there is scheduled any discussion or vote on the matter. The interested Director may participate in the discussion or vote on the matter only in accordance with C.R.S. §7-128-501. The minutes of the meeting shall reflect the disclosure made, the abstention from voting, the composition of the quorum and record who voted for and against.

B. FAILURE TO DISCLOSE CONFLICT. A conflicting interest transaction will not be void or voidable and may not be enjoined, set aside, or give rise to an award of damages or other sanctions in a proceeding by a member of the Association or by or in the right of the Association, solely because the conflicting interest transaction involves a Director or a party related to a Director or an entity in which a Director is a director or officer or has a financial interest or solely because the Director is present at or participates in the meeting of the Board or of the committee of the Board that authorizes, approves, or ratifies the conflicting interest transaction or solely because the Director's vote is counted for such purpose if: (i) the material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the Board or the committee, and the Board or committee in good faith authorizes, approves, or ratifies the conflicting interest transaction by the affirmative vote of a majority of the disinterested Directors, even though the disinterested directors are less than a quorum; (ii) the material facts as to the Director's relationship or interest and as to the conflicting interest transaction are disclosed or are known to the members entitled to vote thereon, and the conflicting interest transaction is specifically authorized, approved, or ratified in good faith by a vote of the members entitled to vote thereon; or (iii) the conflicting interest transaction is fair as to the Association. For purposes of the foregoing, common or interested Directors may be counted in determining the presence of a quorum at a meeting of the Directors or of a committee which authorizes, approves, or ratifies the conflicting interest transaction. If a contract or decision made in violation of this Resolution is deemed void and unenforceable, the Board, at the next meeting of the Board, shall vote again on such contract, decision or other action taken in violation of this Resolution.

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5. CONDUCT OF MEETINGS

A. OWNER MEETINGS. Meetings of the Owners of the Association shall be called pursuant to the Bylaws of the Association.

i. Notice.

(a) The Association shall post notice on its website (if any) or other conspicuous place within the Community (if feasible), of all meetings. Such notice shall be posted 10-50 days prior to such meeting.

(b) If any Owner has requested that the Association provide notice via email and has provided the Association with an email address, the Association shall send notice of all Owner meetings to such Owner at the email address provided as soon as possible after notice is provided pursuant to the Bylaws but in no case less than 24 hours prior to any such meeting.

ii. Conduct. All Owner meetings shall be governed by the following rules of conduct and order:

(a) The President of the Association or designee shall chair all Owner meetings.

(b) All Owners and persons who attend a meeting of the Owners will sign in, present any proxies and receive ballots as appropriate. (See section below regarding voting).

(c) Any person desiring to speak shall sign up on the list provided at check in and indicate if he/she is for or against an agenda item.

(d) Anyone wishing to speak must first be recognized by the President.

(e) Only one person may speak at a time.

(f) Each person who speaks shall first state his or her name and address.

(g) Any person who is represented at the meeting by another person, as indicated by a written instrument, will be permitted to have such person speak for him/her.

(h) Those addressing the meeting shall be permitted to speak without interruption from anyone as long as these rules are followed.

(i) Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting.

(j) Each person shall be given up to a maximum of three minutes to make a statement or to ask questions. The Board of Directors may decide whether or not to answer questions during the meeting. Each person may only speak once with respect to each issue. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the President, but shall be uniform for all persons addressing the meeting.

(k) All actions and/or decisions will require a first and second motion.

(l) Once a vote has been taken, there will be no further discussion regarding that topic.

(m) So as to allow for and encourage full discussion by Owners, no meeting may be audio, video or otherwise recorded. Minutes of actions taken shall be kept by the Association.

(n) Anyone disrupting the meeting, as determined by the President, shall be asked to “come to order.” Anyone who does not come to order will be requested to immediately leave the meeting.

(o) The President may establish such additional rules of order as may be necessary from time to time.

iii. Voting. All votes at Owner meetings shall be taken as follows:

(a) Election of members of the Board of Directors shall be conducted by secret ballot. Each Owner entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event an Owner holds a proxy for another Owner, upon presentation of such proxy to the Secretary of the Association or the Secretary’s designee, the Owner shall receive a secret ballot to cast the vote of the Owner who provided the proxy. The proxy shall be kept and retained by the Association.

(b) All other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot, unless otherwise required by law; provided, however, that upon the request of any Owner present at the meeting or represented by proxies, other votes may also be determined by secret ballot in accordance with sub-clause (a) above.

(c) Written ballots shall be counted by a neutral third party or by a committee of Owner(s) who are not directors or candidates selected randomly from a pool of two or more Owners or otherwise in compliance with applicable law. The Chair shall specify the procedure for randomly selecting the Owner(s). Such procedure shall ensure that the Owner(s) selected is done so without being chosen by the Chair, Board of Directors or any candidates.

(d) The individual(s) counting the ballots shall report the results of the vote to the President by indicating how many votes were cast for each individual or how many votes were cast in favor and against any issue.

iv. Proxies. Proxies may be given by any Owner as allowed by C.R.S. § 7-127-203. All proxies shall be reviewed by the Association's Secretary or designee as to the following:

- (a) Validity of the signature
- (b) Signatory's authority to sign for the Owner
- (c) Authority of the Owner to vote
- (d) Conflicting proxies
- (e) Expiration of the proxy

B. BOARD OF DIRECTORS MEETINGS. Meetings of the Board of Directors shall be called pursuant to the Bylaws of the Association.

i. Conduct. All Board of Directors meetings shall be governed by the following rules of conduct and order:

(a) The President, or designee, shall chair all Board of Directors meetings.

(b) All persons who attend a meeting of the Board of Directors shall be required to sign in, listing their names and addresses.

(c) Anyone desiring to speak shall first be recognized by the President and shall be given the opportunity to speak before the Board of Directors votes on the issue being addressed.

(d) Only one person may speak at a time.

(e) Each person speaking shall first state his or her name and address.

(f) Any person who is represented by another person as indicated by a written instrument at the meeting shall be permitted to have such person speak for them.

(g) Those addressing the Board of Directors shall be permitted to speak without interruption from anyone as long as these rules are followed.

(h) Comments are to be offered in a civilized manner and without profanity, personal attacks or shouting. Comments are to be relevant to the purpose of the meeting or issue at hand.

(i) Each person shall be given up to a maximum of three minutes to speak or to ask questions, although questions may not be answered until a later date. Each person may only speak once on any issue prior to a vote by the Board of Directors on such issue. Yielding of time by a speaker to another individual shall not be permitted. Such time limit may be increased or decreased by the President but shall be uniform for all persons addressing the meeting.

(j) No meeting of the Board of Directors may be audio, video or otherwise recorded except by the Board of Directors to aid in the preparation of minutes. Minutes of actions taken shall be kept by the Association.

(k) Anyone disrupting the meeting, as determined by the President, shall be asked to “come to order.” Anyone who does not come to order shall be requested to immediately leave the meeting.

(ii) Executive Sessions. Matters for discussion by an executive or closed-door session of the Board of Directors shall be limited to those matters set forth in § 308 of the Act, and may be further limited by the Bylaws. Any Owner who is the subject of a disciplinary hearing or vote regarding collections held in executive session may request and receive the results of any vote taken at such meeting.

6. COLLECTION OF UNPAID ASSESSMENTS

It is in the best interest of the Association to refer delinquent accounts promptly to an attorney for collection so as to minimize the Association's loss of Assessment revenue. The Board of Directors may retain an attorney with experience in representing owners' associations in collections and other matters. The Association hereby gives notice of its adoption of the following Policies and procedures for the collection of Assessments and other charges of the Association:

A. DUE DATES. General Assessments are due on the first day of each calendar month. Special Assessments are due no later than thirty (30) days after provision of written notice thereof. Default Assessments are due no later than fifteen (15) days after provision of written notice thereto. Assessments or other charges not paid in full to the Association within fifteen (15) days of the due date shall be considered past due and delinquent. Assessments or other charges not paid in full to the Association within fifteen (15) days of the due date shall incur late fees and interest as provided below.

B. RECEIPT DATE. The Association shall post payments on the day that the payment is received in the Association's office.

C. LATE CHARGES ON DELINQUENT ASSESSMENTS. In the event that any Assessment becomes fifteen (15) days past due, the Association shall impose on a monthly basis a late charge equal to the lesser of: (i) Twenty-Five Dollars (\$25.00); or (ii) five percent (5%) of the delinquent amount. In the event that any Assessment becomes thirty (30) days past due, the Association may impose interest from the date due at the rate of eight percent (8%) per annum until the Assessment is paid in full. All late charges and interest shall be a Common Expense for the relevant Owner and shall be due and payable immediately, without notice. Notwithstanding anything to the contrary herein, the total amount of fines assessed for unpaid Assessments shall not exceed Five Hundred Dollars (\$500.00).

D. RETURN CHECK CHARGES. In addition to any and all charges imposed under the Declaration, the Articles, the Bylaws, the Rules and this Resolution, a One Hundred Dollar (\$100.00) fee or other amount deemed appropriate by the Board of Directors shall be assessed against an Owner in the event any check or other instrument attributable to or payable for the benefit of such Owner is not honored by the bank or is returned by the bank for any reason whatsoever, including, but not limited to, insufficient funds. This returned check charge shall be a Common Expense for each Owner who tenders payment by check or other instrument that is not honored by the bank upon which it is drawn. Such return check charge shall be due and payable immediately, upon demand. Notwithstanding this provision, the Association shall be entitled to all additional remedies as may be provided by applicable law. Returned check charges shall be the obligation of the Owner(s) of the Unit for which payment was tendered to the Association. Returned check charges shall become effective on any instrument tendered to the Association for payment of sums due under the Declaration, Articles, Bylaws, Rules or this Resolution after the date adopted as shown above. If two (2) or more of an Owner's checks are returned unpaid by the bank within any fiscal year, the Association may require that all of such Owner's future payments, for a period of one (1) year, be made by certified check or money

order. This return check charge shall be in addition to any late fees or interest incurred by an Owner. Any returned check shall cause an account to be past due if full payment of the monthly installment of the General Assessment is not timely made within fifteen (15) days of the due date.

E. ATTORNEY FEES ON DELINQUENT ACCOUNTS. As an additional expense permitted under the Declaration and by Colorado law, the Association shall be entitled to recover its reasonable attorney fees and collection costs incurred in the collection of Assessments or other charges due the Association from a delinquent Owner. The reasonable attorney fees and costs incurred by the Association shall be due and payable immediately when incurred, upon demand. Notwithstanding the foregoing, no attorney fees shall be assessed to any delinquent Owner until all notice requirements set forth in this Policy have been satisfied.

F. PERSONAL OBLIGATION FOR CHARGES AND FEES. All late charges, interest, return check charges and attorneys fees and costs charged under this Resolution, the Declaration or pursuant to Colorado law and in accordance with this Policy shall be the personal obligation of the Owner(s) of the Unit for which such Assessment or installment is unpaid.

G. APPLICATION OF PAYMENTS. All payments received on account of any Owner or the Owner's Unit (hereinafter collectively "**Owner**") shall be applied first to past due assessments prior to application of the payment to outstanding fines, legal fees and costs (including attorney fees), expenses of enforcement and collection, late charges, and interest, returned check charges, and any other costs owing or incurred with respect to such Owner pursuant to the Declaration, Articles, Bylaws, Rules, or this Resolution.

H. NOTICE TO OWNER; COLLECTION PROCESS.

i. The Association shall send monthly notices to any Owner with an outstanding balance (each, a "**Monthly Notice**"). The Monthly Notice must be mailed by first-class mail and sent by email if the Owner has provided the Association with an email address. The Monthly Notice must include an itemized listing of the past due amount and the category of each such amount past due (assessments, fines, fees, or other charges owed to the Association).

ii. After an installment of the General Assessments or other charges due to the Association becomes more than thirty (30) days delinquent and before the Association turns over a delinquent account to a collection agency or an attorney for collection, the Association (or its Managing Agent) shall send the Owner written notice ("**Delinquency Notice**") of non-payment. The Delinquency Notice must be delivered to the delinquent Owner by certified mail, return receipt requested, and by posting on the front door or other conspicuous place at the Owner's Unit. Additionally, the Association must contact the Owner by first class mail, text message, or email. The costs associated with posting the Delinquency Notice shall be charged to the delinquent Owner. The Delinquency Notice shall include the following:

(a) An itemization of the past due balance, listing the past due amount broken down into past due assessments, fines, fees, or other charges owed to the Association;

(b) Notification that unless the Owner: (i) does not occupy the Unit and acquired the Unit through either: (A) a default of a security interest encumbering the Unit; or (B) foreclosure of the Association's lien; or (ii) has already entered into a current Payment Plan as provided herein, then the Owner will have an opportunity to enter into a payment plan that allows the Owner to pay off the past due amount in eighteen (18) months, with monthly payments of no less than Twenty-Five Dollars (\$25.00) per month ("**Payment Plan**");

(c) Notification that such Payment Plan does not relieve the Owner of its obligations to remain current with payment of Assessments as they come due during the term of the Payment Plan, and that if the Owner does not comply with the Payment Plan, the Association may commence legal action against the Owner pursuant to this policy;

(d) Notification that an Owner who enters into a Payment Plan may pay the full past due amount at any time, without penalty;

(e) The contact information for the Association's property manager in the event that the delinquent Owner wishes to enter into a payment plan or has questions regarding the amounts due to the Association;

(f) Notification that action is required to cure the Owner's delinquency, and that if no action is taken within thirty (30) days following the date of the Delinquency Notice, the Association may pursue any remedies available under Colorado law, including, without limitation, turning the Owner's past due account over to a collection agency or attorney, filing a lawsuit against the Owner, filing a lien against the Owner's Unit (and, if the delinquency is related to nonpayment of Assessments, foreclosing on such lien); and recovering attorney fees and collection costs for any such action of the Association; and

(g) A description of the steps the Association must take before commencing legal action relating to the delinquency and the legal action that may be taken by the Association (including a description of the types of actions that the Association or Owner may take to small claims court).

iii. The Association must keep a written record of all attempts to contact an Owner regarding a delinquency (including, without limitation, any Monthly Notice or Delinquency Notice hereunder), specifically including the date and time of each attempt and the methods by which the Association made each attempt.

iv. Any Owner may designate another contact person for the Association to contact regarding any delinquency (the "**Owner's Designee**"). Such designation shall be made in writing and delivered to the Association. If an Owner has designated an Owner's Designee, the Association shall send all notices to both the Owner and the Owner's Designee.

v. Any Owner may direct the Association that all notices to Owner regarding delinquency are to be in Owner's preferred language. Such direction must be made in writing and delivered to the Association. Following its receipt of such direction, all notices to Owner must be made in Owner's preferred language and in English. To the extent permissible by law, the cost associated with translating any notice into Owner's preferred language will be charged to such Owner.

vi. If after thirty (30) days after providing the Delinquency Notice, the Owner has not responded, has not cured the delinquency, and/or has declined to enter into a Payment Plan, the Association may commence collection efforts in accordance with this Policy.

vii. An Owner will be deemed to have failed to comply with the terms of Payment Plan if the Owner fails to remit payment of three (3) or more agreed-upon installments under such Payment Plan, or if the Owner fails to remain current with regular assessments as they come due for the duration of such Payment Plan. In such event, the Association may commence collection efforts in accordance with this Policy.

viii. In the event that an Owner has not cured its delinquency within thirty (30) days after the date of the Delinquency Notice, the Association (or its attorney, as applicable) may pursue any or all of the following remedies:

- (a) File an assessment lien against the delinquent Owner's Unit;
- (b) Turn the delinquent Owner's account over to an attorney or collection agency for collection;
- (c) Commence and maintain legal proceedings (including personal judgments and/or foreclosure actions) for the recovery of delinquent Assessments, late fees, and attorney fees and costs allowable by the Association Documents or the Act;
- (d) Pursue collection of judgments obtained against the Owner;
- (e) Take any other lawful action necessary to collect delinquent Assessments in accordance with the Association Documents and the Act; and
- (f) Suspend the voting rights of the delinquent Owner for the duration of the delinquency.

ix. Prior to commencing any collection efforts in accordance with this Policy, the majority of the Association's Board of Directors must vote to pursue such action against the delinquent Owner in an open meeting held in compliance with the Association's Conduct of Meetings Policy, and the delinquent Owner must be invited to attend. The Board shall record its vote. The Association's Managing Agent may not commence any collection action without first obtaining Board authorization to do so.

x. The Association's failure to pursue any of its options for recovery shall not be construed as a waiver or release of a delinquent Owner's obligations to pay Assessments or the Association's rights of recovery as set forth in this Policy.

xi. If the Association pursues foreclosure of its assessment lien against an Owner's Unit, the following parties may not purchase such Unit: (a) any member of the Association's Board of Directors; (b) the Association's Managing Agent or its owners or

employees; (c) the Association's legal representative or its owners or employees; or (d) any family member of the foregoing persons or entities.

I. BANKRUPTCIES AND FORECLOSURES. Upon receipt of any notice of a bankruptcy filing or foreclosure notice regarding an Owner or Unit with unpaid Assessments, the Association shall notify the Association's attorney of the same and turn the account over to the Association's attorney, if appropriate.

J. REFERRAL OF DELINQUENT ACCOUNTS TO ATTORNEYS. Upon referral to the Association's attorney, the attorney shall take all appropriate action to collect the accounts referred. The attorney, in consultation with the Managing Agent, is authorized to take whatever action is necessary and determined to be in the best interests of the Association, including, but not limited to:

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

Upon referral of any matter to the Association's attorney, the Association shall promptly pay the attorney's usual and customary charges as well as any costs incurred by the attorney on the Association's behalf, upon receipt of the invoice from the attorney.

K. APPOINTMENT OF A RECEIVER. The Association may seek the appointment of a receiver if an Owner becomes delinquent in the payment of Assessments pursuant to the Declaration and Colorado law. A receiver is a disinterested person, appointed by the court, who manages the rental of the property, collects the rent and disburses the rents according to the court's order. The purpose of a receivership for the Association is to obtain payment of current Assessments, reduce past due Assessments and prevent the waste and deterioration of the Community.

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

M. COMMUNICATION WITH OWNERS. All communication with a delinquent Owner shall be handled through the Association's attorney once a matter has been referred to the attorney. Neither the Managing Agent nor any member of the Board of Directors shall discuss the collection of the account directly with an Owner or any other person after it has been turned over to the Association's attorney unless the attorney is present or has consented to the contact.

N. DEFENSES. To the extent permitted under the Act, the failure of the Association to comply with any provision in this Resolution shall not be deemed a defense to payment of

Assessment fees or other charges, late charges, return check charges, attorney fees and/or costs as described and imposed by this Resolution or otherwise allowed or provided for under the Declaration or pursuant to Colorado law.

O. DESIGNATED CONTACT. If an Owner desires to identify another person to serve as a designated contact for the Owner to be contacted on the Owner's behalf for purposes of contact related to a violation of a covenant or rule and the collection of unpaid assessments, the Owner may complete the form attached at the end of these Policies as Exhibit A, titled, "Designated Contact for Collection of Unpaid Assessments and Enforcement of Covenants and Rules," which form must be completed and delivered to the Association pursuant to the form's terms.

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7. DISPUTE RESOLUTION.

All disputes shall be resolved in accordance with the dispute resolution process set forth Section 24.12 of the Declaration.

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8. DOCUMENT RETENTION AND DESTRUCTION POLICY.

A. INTRODUCTION

i. Scope. This Document Retention and Destruction Policy applies to the Association, the Managing Agent, and the Board of Directors. Documents maintained by the Association's legal counsel are not subject to this Document Retention and Destruction Policy.

ii. Purpose. This Document Retention and Destruction Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's Documents (as defined below). This Document Retention and Destruction Policy is necessary to ensure that the Association conducts itself in a cost-effective manner while also adhering to legal and business requirements.

iii. Policy. It is the Association's policy to maintain complete and accurate Documents. Documents are to be retained for the period of their immediate use unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this Document Retention and Destruction Policy. Documents that are no longer required or have satisfied their recommended period of retention are to be destroyed in an appropriate manner. The Managing Agent is responsible for ensuring that Documents within its area of assigned responsibility are identified, retained, stored, protected and subsequently disposed of, in accordance with the guidelines set forth in this Document Retention and Destruction Policy.

iv. Compliance. This Document Retention and Destruction Policy is not intended to be all inclusive, and accordingly must be tailored to meet the specific needs of the Association. The retention periods set forth herein are guidelines based on the current retention periods set forth in federal, state, and local statutes and regulations (none of which explicitly address the Association), and industry custom and practice.

v. Board Members. The Association does not require Board members to maintain any Documents. Board members in their discretion may dispose of Documents generated by the Association because the Association has maintained such Documents in the Official Files (as defined below). However, if Board members receive Documents relating to the Association that were not generated by the Association or not received through the Association, Board members shall send the originals of such Documents to the Managing Agent to be maintained in the Official Files. Documents created by a Board member for his or her own use as a member of the Board of Directors, including but not limited to notes, drafts, emails, summaries, etc. are not Documents of the Association and should be destroyed by the Board member once an Association Document is produced or within six months of creation, whichever is sooner, unless otherwise provided herein. E-mail discussions among Board members shall be copied to and saved by the Managing Agent pursuant to this policy. No Board member shall disclose or provide any Document to any Owner outside of the Board of Directors.

Directors shall direct Owners to make a formal request to the Association pursuant to its inspection of records policy.

vi. Annual Purge of Files. The Managing Agent shall conduct an annual purge of files. The annual purge of files shall be completed within the first quarter of each calendar year.

vii. Destruction Procedure. All Documents to be purged or destroyed pursuant to this Document Retention and Destruction Policy shall be shredded, or permanently deleted electronically, if stored in an electronic format.

viii. Certification. Following the annual purge of files, the Managing Agent shall complete a Certification Letter directed to the Association's Board of Directors stating that all Documents under its control conform to the retention guidelines. Each Board member shall complete a Certification Letter annually stating that all documents created by him/her have been destroyed pursuant to Section (v) above.

ix. Miscellaneous. There may be an immediate destruction of copies of any Document, regardless of age, provided that an original is maintained in the Official Files of the Association.

x. Onset of Litigation. At such time as the Board or the Association has been served with a lawsuit, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved notwithstanding anything in this policy to the contrary. Therefore, at the direction of legal counsel, the Managing Agent will advise the Board members and any other person who may maintain Documents, of the facts relating to litigation. Thereafter, all Documents potentially relevant to the dispute shall be deemed "held" until such litigation is concluded and all appeal periods have expired. At the conclusion of the litigation the "hold" period will cease and the time periods provided in the Document Retention and Destruction Guidelines will recommence.

B. DEFINITIONS.

i. Current. "Current" means the calendar year in which the Document was created, obtained or received.

ii. Document. "**Document**" means any documentary material that is generated or received by the Association in connection with transacting its business, is related to the Association's legal obligations, and is retained for any period of time. The term "Documents" include writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy disks, hard discs and CD ROM. The Documents, as defined in this policy, may encompass more records than those that are available for inspection by Owners pursuant to the Association's Inspection and Copying of Association Records Policy. Not all Documents may be

records of the Association as that term is defined in the Inspection and Copying of Association Records Policy and Colorado law, and therefore may not be subject to inspection by Owners.

iii. Official Files. “**Official Files**” means the files maintained by the Managing Agent of the Association. Legal documents and documents subject to the attorney-client privilege and the work product privilege maintained by the Association’s legal counsel are not part of the “Official Files” of the Association.

iv. Permanent. “Permanent” means that the retention period for that Document is permanent.

v. Termination. “Term + 4 years” means four years beyond the termination of the relationship, contract or coverage.

C. DOCUMENT RETENTION AND DESTRUCTION GUIDELINES. The Association’s Documents are grouped into five functional categories as set forth below. Although every conceivable Document is not listed, the following list should indicate to which subcategory a particular Document relates.

<u>Accounting Records</u>	<u>Retention Period</u>
Accounts Payable	7 years
Account Receivable	7 years
Audit Reports	Permanent
Chart of Accounts	Permanent
Depreciation Schedules	Permanent
Expense Records	7 years
Financial Statements (Annual)	Permanent
Fixed Asset Purchases	Permanent
General Ledger	Permanent
Inventory Records	7 years
Loan Payment Schedule	7 years
Federal and State Tax Returns	Permanent

<u>Bank/Financial Records</u>	<u>Retention Period</u>
Bank Reconciliation	2 years
Bank Statements	7 years
Deposit Tickets	6 years
Cancelled Checks	7 years
Cash Receipts and Cash Disbursement Journals	7 years
Owner Ledgers	While Owner owns a Unit + 7 years
Electronic Payment Records	7 years
Audit Reports	Permanent
Personal Property Tax Returns	Permanent
Budgets	3 years
Reserve Study	Retain current plan at all times
<u>Corporate Records</u>	<u>Retention Program</u>
Board Minutes	Permanent
Committee Minutes	Permanent
Member Meeting Minutes	Permanent
Bylaws, Articles and CC&Rs	Permanent
Rules and Regulations	Permanent
Policies and Guidelines	Permanent
Record of actions of the Board of Directors or Members without a Meeting (for example, records of decisions made by the Board via e-mail)	Permanent

E-mail communications among Board members directly related to and resulting in a decision made by the Board outside of a meeting	1 year
General E-mail discussions among the Board which do not result in any decision being made outside of a meeting	6 months
Record of Waivers of Notices of Meetings of Members, Board of Directors or Committees	Permanent
Board Resolutions	Permanent
Business Licenses	Permanent
Contracts	Life + 7 years or warranty period if longer
Correspondence from Legal Counsel	Permanent
Insurance Policies	Life + 4 years
Leases/Mortgages	Permanent
Patents/Trademarks	Permanent
Bids, Proposals	Permanent
Homeowner Records	Permanent
Vendor Invoices	7 years
Written Correspondence between Association and Vendors	7 years
Photographs	7 years
Periodic Reports Filed with the Secretary of State	1 year
Videotapes and Audiotapes of Board Meetings	Until minutes approved

Proxies and Ballots (generally, unless otherwise provided herein)	One year after the election, action, or vote to which they relate
Proxies and Ballots for Document Amendments	Permanent
Deeds, Easements and Other Real Property Records	Permanent
<u>Employee Records, if any</u>	<u>Retention Period</u>
Benefits Plans	Permanent
Personnel Files	7 years
Employment Applications	3 years
Employment Taxes	7 years
Payroll Records	7 years
Pension/Profit Sharing Plans	Permanent
<u>Real Estate Records</u>	<u>Retention Period</u>
Construction Records	Permanent
Warranties	Permanent
Leasehold Improvements	Permanent
Lease Payment Records	Life + 4 years
Real Estate Purchases	Permanent
<u>Owner Communications</u>	<u>Retention Period</u>
Written Communications to all Owners generally (including meeting or other notices sent via e-mail, facsimile and regular mail)	6 years
<u>Individual Member Files</u>	<u>Retention Period</u>

Correspondence to Members individually (not including enforcement letters)	As long as Member owns + 4 years
Enforcement Letters (including covenant violation letters and violation letters and delinquency letters)	As long as Member owns + 4 years
Owner Complaints (written)	As long as Member owns + 4 years
Architectural requests and any responses from the Association regarding Requests	Permanent
Any Correspondence between Association and Members not otherwise listed	As long as Member owns + 4 years
<u>Miscellaneous</u>	<u>Retention Period</u>
Miscellaneous Documents (not otherwise listed herein)	At Board's discretion

9. ADOPTION OF POLICIES, PROCEDURES, RULES, REGULATIONS, AND GUIDELINES.

A. SCOPE. The Board of Directors may, from time to time, adopt and amend certain Policies or Rules as may be necessary to facilitate the efficient operation of the Association, including the clarification of ambiguous provisions in other documents, or as may be required by law. In order to encourage Owner participation in the development of such Policies and Rules and to ensure that such Policies and Rules are necessary and properly organized, the Board of Directors shall follow the following procedures when adopting any Policy or Rule.

B. DRAFTING PROCEDURE. The Board of Directors shall consider the following in drafting any Policy:

- i. whether the governing documents or Colorado law grants the Board of Directors the authority to adopt such a Policy;
- ii. the need for such Policy based upon the scope and importance of the issue and whether the governing documents adequately address the issue; and
- iii. the immediate and long-term impact and implications of the Policy.

C. NOTICE AND COMMENT. The adoption of every Policy and Rule shall be listed on the agenda for the Board of Directors meeting prior to adoption by the Board of Directors and any Owner who wishes to comment on the proposed Policy or Rule shall be afforded such opportunity in compliance with Colorado law.

D. EMERGENCY. The Board of Directors may forego the notice and opportunity to comment in the event the Board of Directors determines in its sole discretion that providing notice and opportunity to comment is not practical given the emergency nature of such Policy or Rule.

E. ADOPTION PROCEDURE. After the period for Owner comment expires, the Board of Directors may adopt any Policy. Upon adoption of a Policy, the Policy or notice of such Policy, including the effective date, shall be provided to all Owners by any reasonable method as determined in the sole discretion of the Board of Directors, including, but not limited to, posting on the Association's website (if any) or mailing.

F. POLICY BOOK. The Board of Directors shall keep copies of any and all adopted Policies and Rules in a book designated as a Policy and Rules book. The Board of Directors may further categorize Policies, procedures, Rules and regulations, resolutions and guidelines but shall not be required to do so.

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Exhibit A
to
Policies and Procedures

Meadowlark Owners' Association, Inc.

**Designated Contact for Collection of Unpaid Assessments and
Enforcement of Covenants and Rules**

An Owner may identify another person to serve as a designated contact for the Owner to be contacted on the Owner's behalf for purposes of contact related to a violation of covenant or rule and collection of unpaid assessments. If an Owner has identified a designated contact, the Owner and the Owner's designated contact must receive the same correspondence and notices anytime communications are sent out. To identify a designated contract, an Owner must complete this Designated Contact Form and return it to the Association by (a) certified mail, return receipt requested, and (b) e-mail. Such notice is required due to the increased cost a designated contact imposes upon the Association.

Owner Name	
Owner Mailing Address (if different from Property Address)	
Owner Telephone Number	
Owner E-Mail Address	
Designated Contact Name	
Designated Contact Mailing Address	
Designated Contact Telephone Number	
Designated Contact E-Mail Address	

Unless Owner otherwise states, all notices and correspondence will be provided in English.
Other: _____

By and through this Designated Contact Form, the Owner identifies the Designated Contact set forth above to be contacted by the Association, its agents, and representatives, on the Owner's behalf for purposes of contact related to covenant violations and delinquencies.

Signature: _____

Date: _____

Print Name: _____

PRESIDENT’S CERTIFICATION:

The undersigned, being the President of the Meadowlark Owners’ Association, Inc., certifies that the foregoing Resolution was adopted by the Board of Directors of the Association, at a duly called and held meeting of the Board of Directors on _____, 2024 and in witness thereof, the undersigned has subscribed their name.

_____, President

Exhibit 3**Meadowlark HOA Budget****REVISED DRAFT****2.22.24****Revenues**

Operating Assessments	\$ 117,285
Reserve Assessments	\$ 15,000
Late Charges	\$ -
Special Assessment	\$ -
Interest Income	\$ -
Total Income	\$ 132,285

Operating Expenses

Accounting	\$ 9,500
Bank Charges	\$ 60
Legal Fees	\$ 500
Alarm Monitoring	\$ 15,000
Community Website	\$ 2,500
Meeting Expenses	\$ 250
Insurance	\$ 20,000
Repairs & Maintenance	\$ 9,500
Management Fee	\$ 20,000
Irrigation Maintenance	\$ 1,250
Common Water	\$ 2,525
Common Electricity	\$ 1,200
Snow Removal	\$ 22,500
Trash Removal	\$ 7,500
Not Used	\$ -
Contingency	\$ 5,000
Total Expense	\$ 117,285
Transfer to Reserves	\$ 15,000

HOA Dues Per Unit

	Unit	Year 1	Year 1
	% Interest	Contribution	Monthly
Building A			
A1-1	2.128%	\$ 2,815	\$ 235
A2-1	2.736%	\$ 3,619	\$ 302
A2-2	2.736%	\$ 3,619	\$ 302
Building B			
B3-3	5.167%	\$ 6,835	\$ 570
B3-2	4.559%	\$ 6,031	\$ 503
Building C & D			
C/D3-2.5	4.255%	\$ 5,629	\$ 469
C/D2-2	2.736%	\$ 3,619	\$ 302

Exhibit 4

MEADOWLARK OWNERS' ASSOCIATION, INC. RULES AND REGULATIONS

The following Rules and Regulations apply to all Owners and their Permittees with respect to the use of the Units and any other portion of the Project. Capitalized terms not specifically defined herein shall have the meaning ascribed to such terms in the Condominium Declaration of Meadowlark at Mountain Village Community (the “**Declaration**”). These Rules and Regulations shall constitute the “Rules” described in the Declaration.

GENERAL

1. Each Owner shall heat his/her/its Unit so as to maintain a minimum temperature in the Unit of no less than fifty-five degrees (55°) Fahrenheit from October 1st of each year to May 31st of the following year to minimize any damage that could result from the freezing of pipes, both individual and common, that pass near or through individual Units. In order to mitigate the growth of mold and mildew during warmer months of the year resulting in damage to any portion of the Project, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the Units shall be maintained with the air conditioning in an “on” position and at a maximum temperature setting of eighty-five degrees (85°) Fahrenheit (except during power failures or periods when air conditioning equipment is broken) whenever the temperature is forecasted to or does reach ninety degrees (90°) Fahrenheit or above. In addition, each Owner must change its heat pump filter a minimum of two times annually to optimize system performance. The requirements set forth in this Section 1 must be satisfied even when a Unit is not occupied.
2. All rubbish, trash, garbage or other refuse and recycling (collectively, “**Trash**”) shall be regularly removed from the Unit and shall not be allowed to accumulate therein. Each Unit at all times shall be kept in a clean, sightly and wholesome condition. Except on the scheduled day of collection, no Trash shall be placed on the Common Elements outside the Unit. The Board may require any Owner to arrange for trash removal of excessive amounts of Trash. In no event shall any hazardous materials, including, without limitation, flammable or toxic materials (paint, stain, thinners, gasoline, and medical waste), be placed in the Association trash or recycling facilities
3. Illegally parked vehicles, derelict vehicles and vehicles parked in unauthorized spaces, including spaces owned by other Owners, will be fined, towed or booted at the vehicle owner’s expense, with or without notice.
4. No part of the Common Elements, parking spaces, or carports may be used for storage, vehicle repair, construction or any other purpose unless specific written permission for such use is given by the Board.
5. The balconies, terraces, stairways and windows shall be used only for the purposes intended, and no objects, including by way of illustration, but not limitation, flags (except those permitted by the Act), banners, charcoal grills, umbrellas, bicycles, laundry garments, towels, awnings, canopies and all other objects, may be located on a balcony or terrace serving a Unit. The Board may adopt additional rules or policies concerning the type, color and material of exterior furniture that is permitted on balconies and terraces. Objects shall not be permitted to hang over or be attached to any exterior surface of a balcony or terrace wall or to otherwise protrude outside of the vertical plane formed by the exterior surface of a balcony or terrace wall. Owner use of any hazardous or potentially hazardous substances including, but not limited to paint, stains, solvents, sprays, propane, or other chemicals, is strictly prohibited within or on any Common Elements, including balconies, terraces, stairway and windows.

6. Satellite dishes, antennas or wiring shall not be affixed to the exterior of the Building or balconies or terraces adjacent to Units. Rather, upon approval of the Board or Architectural Committee, as appropriate, satellite dishes may be affixed on the inside perimeter of a balcony or terrace adjacent to a Unit, provided that they are affixed to the balcony or terrace in such a way that wind or other elements will not blow or move them around or off the balcony or terrace.
7. Owners shall be responsible for obtaining, maintaining, and keeping in good repair all window treatments. No window coverings shall be of a bright color as reasonably determined by the Board. Owners are encouraged to obtain approval of window covering colors prior to purchase and installation if not backed by a neutral/earth tone color.
8. Owners may not place any film on the surface of, or tint, any window surface in a Unit or on a Unit balcony.
9. The sidewalks, driveways and entrances must not be obstructed or encumbered or used for any purpose other than ingress and egress to and from the Project unless otherwise authorized by the Board.
10. The Board or Managing Agent may retain a key to each Unit within the Project. If a lock on any door is changed by an Owner, the Owner shall immediately provide the Managing Agent with a new key. Failure to comply with the requirements of this paragraph could result in forced entry by the Managing Agent and the removal or re-keying of the lock at the Owner's expense.
11. All supply hoses serving appliances shall be properly installed and "burst resistant."
12. In addition to the restrictions set forth in the Declaration the following rules apply with respect to pets. Any dogs kept by an Owner must be registered with the Association and proof of rabies vaccination is required. Pets may not engage in offensive or prolonged noises such as persistent barking. Owners should report any persistent barking or other offensive or prolonged noises to the Board or Managing Agent. If a Pet(s) becomes noisy, menacing or obnoxious to other residents, and the Owner is unable to correct the problem after written request or notice by the Managing Agent or an officer of the Association, the Owner will be required to permanently remove the Pet(s) from the Community. Fines may also be imposed as deemed reasonable by the Board. Pets are not permitted to run free outside of a Unit at any time. When outside of a Unit, pets should be on leashes at all times when being walked by their Owners. Owners of pets must pick up the waste created by their pets immediately. Owners are responsible to prevent pets from damaging or soiling any landscaping, hallways, buildings or property owned by others. Pets may not be tethered to any of the Common Elements. A pet owner is fully responsible for all cleaning and repair fees if the Association or Managing Agent determines (in its sole discretion) that such Owner's pet is responsible for any damage anywhere in the Community.
13. The storage of flammable or hazardous material that may unreasonably jeopardize the safety and welfare of any person or property is not permitted on or in the Project.
14. Owners shall solely use LED bulbs in all recessed can fixtures in the Unit and shall not replace the bulbs in the recessed can fixtures with non-LED bulbs. Non-LED bulbs cannot be used in the Units per manufacturer requirements and Town of Mountain Village energy regulations.
15. No person shall do or permit anything to be done within the Project, or bring or keep anything therein that would conflict with health and safety laws or with any insurance policy of the Association or with any rules of the Association or with any of the rules, regulations or ordinances of any governmental or quasi-governmental authority having jurisdiction over the Project.
16. No waterbeds are allowed in any Unit.
17. No Owner shall make or permit any disturbing noise within his Unit or the Common Elements, nor shall any Owner permit to be done anything that does or may unreasonably interfere with the rights,

comforts or convenience of other Owners or occupants. No amplified sounds of any nature may be emitted from any balcony, deck or terrace within the Project, and no stereo or stereo speakers may be used on any such balcony, deck or terrace. Quiet hours for radios, stereos, etc. are from 11:00 pm to 8:00 am. Construction noise will only be allowed between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday. No noise-generating construction will be allowed on weekends.

18. Except for signs that may be erected by Declarant related to the development and sale of Units, and except for signs and flags prohibited from regulation as set forth in the Act, no signs, advertising posters, flyers, political placards, banners, flags, stickers, billboards, speakers, lighting, awnings, canopies or shutters of any kind shall be erected, placed, or permitted to remain on the Project without the prior written consent of the Board or Architectural Committee, nor shall any advertisement, announcements, or solicitation of any kind be distributed or passed out in any part of the Project, without prior written consent of the Board.
19. No awnings, trellis or other structure or projection shall be attached to the terraces or outside walls of the building without the prior written consent of the Board.
20. Each Owner shall obtain the prior written consent of the Board (in addition to any approvals required by the Town) prior to replacing a washer-dryer vent to ensure that it shall be the same in appearance and function as the vents originally installed by the Declarant.
21. All deliveries and moving of furniture, fixtures, equipment and other household items to and from the Units shall be made through designated walkways only and shall not cause any unreasonable noise or unreasonable disturbance to the Owners or occupants of any other Units. All deliveries and moves shall be conducted during designated moving hours.
22. Owners shall not place a load on any floor exceeding the floor load per square foot area that the floor was designed to carry and that is allowed by law or that may, in the reasonable opinion of the Board, constitute a hazard to or may damage the Building.
23. No charcoal grills are allowed on the Project. Only propane/gas grills are permitted on Limited Common Elements allocated to the relevant Unit. No Owner may keep, store or use a propane tank (regardless of size), propane grill or charcoal grill within his or her Unit or Storage Areas.
24. Bicycles must be stored in Units or locked at outdoor bike racks, but are otherwise not allowed to be stored on or in any other Common Element.
25. Scooters, mopeds, motorcycles and other gas-powered vehicles are not allowed to be stored in Units, or in the Common Elements, except for the relevant Owner's carport or parking space.
26. Smoking is prohibited in and around all Common Elements, including, without limitation, balconies or decks allocated as Limited Common Elements to individual Units.
27. Showing of Units for sale or lease by Owners may be conducted at any hour as long as showings do not unreasonably disturb other residents. For-sale signs, open house signs, for-lease signs and other signage are prohibited within the Project except for signs erected by Declarant. Open houses must be monitored by Owner.
28. An Owner shall have the right to lease his/her/its Unit in its entirety upon such terms and conditions as the Owner may deem advisable; provided, however, that: (a) such lease shall comply with all requirements and limitations set forth in the Deed Restriction; (b) no Owner shall lease: (i) for transient, bed and breakfast or hotel purposes; or (ii) for a term of less than thirteen (13) months, or such longer period of time as may be determined by the Board; (c) all leases shall be in writing and shall provide that the lease is subject to the terms of the Association Documents and a copy of these Rules shall be provided to the lessee with the lease; (d) Units may be leased only for the residential

uses; (e) any failure of a lessee to comply with the terms of any of the Association Documents shall be a default pursuant to the lease enforceable by the Association as a third-party beneficiary, whether or not the lease contains such a provision; and (f) any Owner who leases his/her/its Unit shall, within three (3) days after the execution of such lease, forward a copy of the same to the Association. In order to assure Owners of eligibility of the Project for any Agency financing, the Association may adopt additional rules with respect to rental of Units to non-Owners.

RENOVATION AND CONSTRUCTION PROCEDURE

1. Work hours for contractors and/or Owners undertaking renovation work will be 8:00 am 5:00 pm Monday through Saturday or on Sunday with prior Board approval.
2. Contractors must have a certificate of insurance for liability and workers' compensation insurance on file with the Managing Agent's office prior to the commencement of work. Insurance requirements for all contractors performing work on behalf of any Owner are attached hereto as Exhibit A.
3. Owners are responsible for any damage caused by their actions as well as the actions of their contractors and agents.
4. There is no contractor parking allowed on the Property.
5. Materials, supplies, tools and equipment may not be stored in or on the Common Elements at any time, including but not limited to, driveways and balconies.
6. Association trash and recycling receptacles are not to be used by Owner or contractor for renovation debris. All such debris is to be removed from the Property by Owner or contractor on a daily basis.
7. The Association may charge an Owner for any damage to any Common Elements or adjacent Units and for any cleaning fees incurred as a result of construction activities by or for the benefit of such Owner.

The foregoing Rules and Regulations have been approved and adopted by Meadowlark 644, LLC, a Colorado limited liability company, as Declarant for Meadowlark at Mountain Village Community Condominiums, effective as of the [REDACTED] day of [REDACTED], 2024.

MEADOWLARK 644, LLC, a
Colorado limited liability company

By: TRIUMPH DEVELOPMENT WEST, a
Colorado limited liability company,
its Manager

By: _____
Michael O'Connor, Manager

EXHIBIT A
to
MEADOWLARK OWNERS' ASSOCIATION, INC.
RULES AND REGULATIONS

Contractor Insurance Requirements

1. INSURANCE COVERAGES

- A. **Workers' Compensation.** Workers' Compensation insurance with statutory limits in compliance with the laws of the State of Colorado, along with Employer's Liability insurance, including Occupational Disease coverage, meeting the requirements and minimum limits listed below:

\$500,000	Bodily Injury Each Accident;
\$500,000	Each Employee; and
\$500,000	Aggregate – Policy Limit.

Such insurance shall include "other states" insurance, so as to include all states not named on the declarations page of the insurance policy, except for the monopolistic states.

Association requires all parties to carry this insurance regardless of eligibility for waiver or exemption of coverage under state statute.

- B. **Commercial General Liability.** Commercial General Liability insurance must be written for the following policy limits:

\$1,000,000	Per Occurrence, Combined Single Limit for Bodily Injury and Property damage;
\$2,000,000	General Aggregate; and
\$2,000,000	Products/Completed Operating Aggregate.

Coverage shall be written on the Standard Insurance Service Office (ISO) Policy form or its equivalent, and shall include broad form contractual, broad form property damage, personal injury, premises operations, products/completed operations, independent contractors and subcontractors), fire legal liability, and coverages for XCU.

General Liability, including products/completed operations, must be carried for a minimum of three years from completion of Contractor's Work on-site, or as required by the Contract Documents.

- C. **Umbrella and Excess Liability.** Umbrella and Excess Liability insurance must be written for the following policy limits:

\$2,000,000	Per Occurrence; and
\$2,000,000	Annual aggregate limit.

Coverage must follow primary policy form.

- D. **Commercial Automobile Liability.** Commercial Automobile Liability insurance covering the use of all owned, non-owned, and hired automobiles used in connection with work by contractor at the Project, both on and off the jobsite, containing combined single limit of \$1,000,000 per accident.

- E. Pollution/Professional Liability. Association will determine on an individual contract basis what, if any, coverage shall be carried and what minimum limits will be required.
- F. Equipment Policy. Equipment Policy providing coverage for contractor's equipment and tools brought onto the Project.

2. CONDITIONS

- A. All of the above insurance shall be endorsed to contain the following wording:

“This insurance will not be cancelled without at least thirty (30) days advance written notice to Meadowlark Owners’ Association, Inc.”
- B. Such other insurance as the contractor may carry with respect to its operations and/or property is at its own expense and risk.
- C. All insurance companies providing coverages must be acceptable to the Association.
- D. Such insurance shall be primary and non-contributory with any other insurance and shall be in a form and from insurance companies acceptable to Association.
- E. The required insurance limits may be provided through a combination of primary and umbrella/excess policies.
- F. All policies of insurance, as allowed by statute, that are in any way related to the work or services by contractor at the Project, including those that are secured and maintained by consultants and contractors, shall include a provision providing that each party and their insurance carriers shall waive all rights of recovery under subrogation or otherwise, against additional insureds.

3. CERTIFICATES AND THIRTY-DAY NOTICE

Each contractor, prior to commencing with any work at the Project, shall provide certificates of insurance, in a form and with content acceptable to Association, evidencing compliance with the insurance requirements throughout the duration of such work and shall provide a copy of the policy upon request. The insurance required shall be with licensed and qualified insurance companies acceptable to the Association.

Exhibit 5

**GEOTECHNICAL ENGINEERING STUDY
PROPOSED LOT 644 MOUNTAIN VILLAGE MULTI-FAMILY
HOUSING DEVELOPMENT**

Mountain Village, Colorado

August 30, 2022

PREPARED FOR:

Michelle Haynes, MPA
Town of Mountain Village
Email: MHaynes@mtnvillage.org
PROJECT NO. 57525GE

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1.0 REPORT INTRODUCTION

This report presents our geotechnical engineering recommendations for the proposed Lot 644 Mountain Village Multi-Family Housing Development. This report was requested by Michelle Haynes, MPA, Town of Mountain Village, and was prepared in accordance with our proposal dated June 30, 2022, Proposal No. 22216P. Our previous feasibility level report for the project was submitted on March 3, 2022, Project No. 57239GE. The data obtained for our previous feasibility level report has been included for this design level report.

As outlined within our proposal for services for this project the client is responsible for appropriate distribution of this report to other design professionals and/or governmental agencies unless specific arrangements have been made with us for distribution.

Geotechnical engineering is a discipline which provides insight into natural conditions and site characteristics such as; subsurface soil and water conditions, soil strength, swell (expansion) potential, consolidation (settlement) potential, and often slope stability considerations. The information provided by the geotechnical engineer is utilized by many people including the project owner, architect or designer, structural engineer, civil engineer, the project builder and others. The information is used to help develop a design and subsequently implement construction strategies that are appropriate for the subsurface soil and water conditions, and slope stability considerations. We are available to discuss any aspect of this report with those who are unfamiliar with the recommendations, concepts, and techniques provided below.

This geotechnical engineering report is the beginning of a process involving the geotechnical engineering consultant on any project. It is imperative that the geotechnical engineer be consulted throughout the design and construction process to verify the implementation of the geotechnical engineering recommendations provided in this report. Often the design has not been started or has only been initiated at the time of the preparation of the geotechnical engineering study. Changes in the proposed design must be communicated to the geotechnical engineer so that we have the opportunity to tailor our recommendations as needed based on the proposed site development and structure design.

The following outline provides a synopsis of the various portions of this report;

- ❖ Sections 1.0 provides an introduction and an establishment of our scope of service.
- ❖ Sections 2.0 and 3.0 of this report present our geotechnical engineering field and laboratory studies
- ❖ Sections 4.0 through 8.0 presents our geotechnical engineering design parameters and recommendations which are based on our engineering analysis of the data obtained.
- ❖ Section 9.0 provides a brief discussion of construction sequencing and strategies which may influence the geotechnical engineering characteristics of the site. Ancillary information such as some background information regarding soil corrosion and radon considerations is also presented as general reference.
- ❖ Section 10.0 provides our general construction monitoring and testing recommendations.
- ❖ Section 11.0 provides our conclusions and limitations.

The data used to generate our recommendations are presented throughout this report and in the attached figures.

All recommendations provided within this report must be followed in order to achieve the intended performance of the foundation system(s) and other components that are supported by the site soils.

1.1 Proposed Construction

General project layout plans and building finished floor elevations were provided to us by Mike Foster, Triumph West. Figure 2.2.2 presented in Section 2.2 of this report may be referenced to help clarify the following discussion. In general, we understand that the development consists of four primary multi-family residential structures referred to as Buildings A through D with new paved driveway and parking areas and related infrastructure. All of the structure are designed with a lower walk-out level and/or basement level. We understand that retaining walls associated with the walk-out and/or basement levels will be in the range of up to about:

- Building A: 14 to 15 (+/-) foot tall basement level retaining structures,
- Building B: 11 to 12 (+/-) foot tall walk-out level retaining structures in the northeastern area of the structure,
- Building C: 14 to 16 (+/-) foot tall walk-out level retaining structures in the northeastern area of the structure,
- Building D: 14 to 16 (+/-) foot tall walk-out level retaining structures in the northwestern area of the structure.

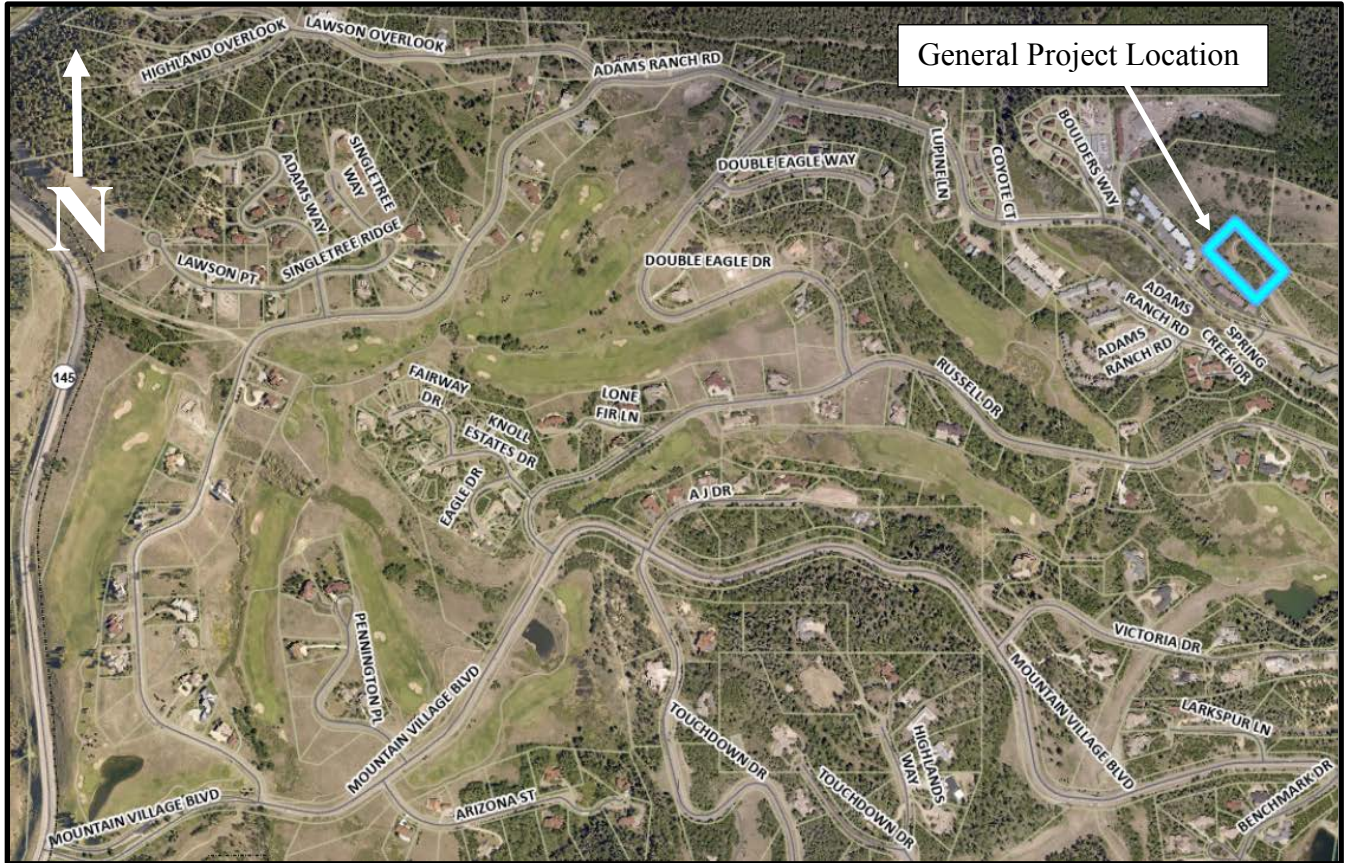
We anticipated that portions of the lower-level floors are proposed to consist of concrete slab-on-grade. We assume relatively light foundation loadings, typical of the proposed type of construction. If final building location, grading and loading information are different than what is described above, we should be notified to re-evaluate the recommendations presented in this report.

2.0 FIELD STUDY

2.1 Site Description and Geomorphology

The project site is designated as Lot 644 located in Mountain Village, Colorado. The project lot is owned by the Town of Mountain Village. The general location of the project lot is provided below as Figure 2.1. A more detailed aerial view of the project site is provided as Figure 2.2.1 in Section 2.2 of this report below.

Figure 2.1: General Project Location



Figures 2.2.1 and 2.2.2 provided in Section 2.2 of this report may be referenced to help clarify the following discussion. The project lot is roughly rectangular in shape and consists of approximately 1.6 acres of relatively undeveloped land. A two-track road bisects the central area of the lot and is oriented in a southeast to northwest direction, generally paralleling the long axis of the project lot boundaries. The two-track road exhibits a switchback at the approximate north corner of the lot, and then parallels the northeast side of the lot just outside the lot boundary. The two-track road was utilized to access our test boring locations. The roadway was constructed using a combination of excavation cut and fill placement.

The ground surface on the project lot generally slopes down to the south-southwest. With exception to the excavation cut and fill slopes associated with the two-track road. The slope surface on the project lot generally exhibit slope inclinations down to the south-southwest in the range of about 6:1 to 3:1; horizontal to vertical (h:v). Existing excavation cut slope surface associated with the Parker Ridge condominiums are located below the southwest side of the project lot and exhibit slope inclinations in the range of about 1½:1; h:v. The limited height excavation cut and fill slope surfaces associated with the two-track road exhibit inclinations in the range of about 1½:1 to 2:1; h:v. Vegetation on the project site consists of Aspen Trees with a variety of intermixed grasses.

The geomorphology in the immediate vicinity of the project site is mapped as consisting of surficial glacial drift deposits, typically consisting of a mixture of relatively dense gravel, cobbles, and occasional boulders with a sandy clay soil matrix. These types of soils were generally encountered at our test boring locations however the Mancos Shale formation was encountered below the suspected glacial drift deposits at several of our test boring locations. A more detailed description of the subsurface conditions encountered at our test boring locations is provided in Section 2.2 below. The logs of the subsurface conditions presented in Appendix A should be referenced for detailed subsurface conditions.

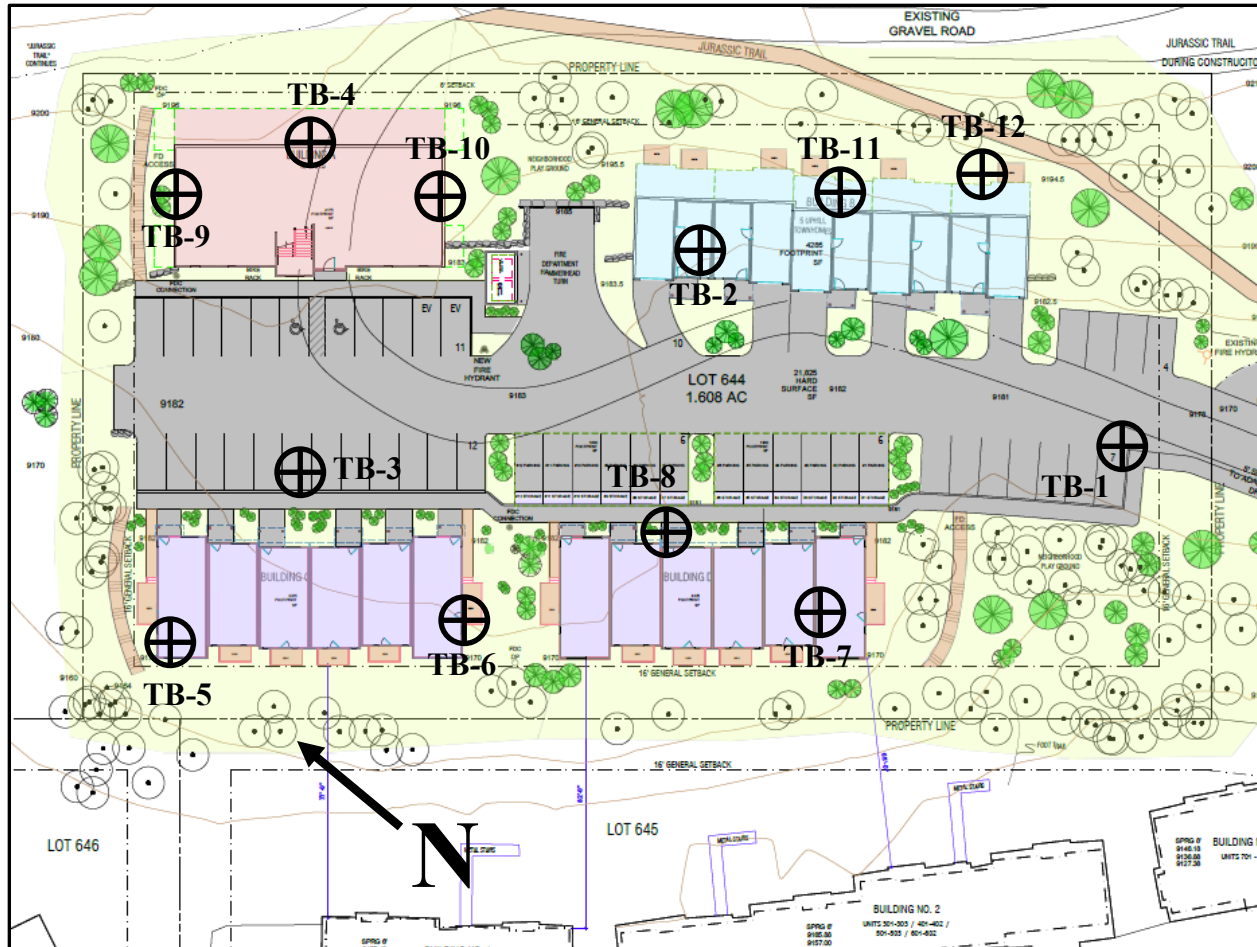
2.2 Subsurface Soil and Water Conditions

We advanced a total of 12 continuous flight auger test borings at select areas of the project site. Test Borings TB-1 through TB-4 were advanced as part of our March 3, 2022 feasibility level study. Test Borings TB-5 through TB-12 were advanced on July 26-27, 2022 as part of this design level study. Schematics showing the approximate test boring locations are provided below as Figures 2.2.1 and 2.2.2. Aerial imagery obtained from the San Miguel County GIS (imagery date: 2021) was used as a basis for Figure 2.2.1. The project site plan was used as a basis for Figure 2.2.2. The logs of the soils encountered in our test borings are presented in Appendix A.

Figure 2.2.1: Approximate Test Boring Locations Relative to San Miguel County GIS Imagery



Figure 2.2.2: Approximate Test Boring Locations Relative to the Project Site Plan



The schematics presented above were prepared using notes and field measurements obtained during our field exploration and are intended to show the approximate test boring locations for reference purposes only.

In general, we encountered sandy silt soil materials with organic matter from the ground surface to depths ranging from about 1 to 2 feet below the ground surface elevation where we generally encountered a mixture of dense to very dense gravel and sand with a silt and/or clay soil matrix and scattered cobbles. The following more specific conditions should be noted;

- We encountered man placed fill materials associated with the existing two-track road to a depth of about 6 feet below the ground surface in Test Boring TB-1.
- We encountered the Mancos Shale formation at depths ranging from about 21 to 25 feet below the ground surface elevation in Test Borings TB-3, TB-5 and TB-6 advanced adjacent to Building C.
- We encountered more shallow Mancos Shale formation at depths ranging from about 1 to 10 feet in Test Borings TB-7 and TB-8 in the central to eastern areas of Building D.
- We experienced auger refusal in some of the test borings on very dense cobbles and/or boulders.

The samples obtained and tested from both the sandy clay/silt soils and formational shale materials generally exhibit a low to moderate swell potential.

The test borings were advanced to depths ranging from about 6 to 33 feet below the ground surface elevation. We did not encounter free subsurface water in our test borings at the time of the advancement of our test borings at the project site. We suspect that the subsurface water elevation and soil moisture conditions will be influenced by snow melt and/or precipitation and potential future landscape irrigation.

The logs of the subsurface soil conditions encountered in our test borings are presented in Appendix A. The logs present our interpretation of the subsurface conditions encountered in the test borings at the time of our field work. Subsurface soil and water conditions are often variable across relatively short distances. It is likely that variable subsurface soil and water conditions will be encountered during construction. Laboratory soil classifications of samples obtained may differ from field classifications.

2.3 Site Seismic Classification

The seismic site class as defined by ASCE 7, Chapter 20 is based on some average values of select soil characteristics such as shear wave velocity, standard penetration test result values, undrained shear strength, and plasticity index.

Based on the standard penetration field tests and laboratory tests performed, the subsurface conditions for the project are consistent with the criteria for a Site Class D designation as outlined in ASCE 7, Chapter 20.

3.0 LABORATORY STUDY

The laboratory study included tests to estimate the strength, gradation characteristics and the swell and consolidation potential of the soils tested. We utilized the laboratory test data from our feasibility level report as well as the data obtained during the design level study. We performed the following tests on select samples obtained from the test borings. The laboratory test results are provided in Appendix B.

- Moisture Content and Dry Density
- Sieve Analysis (Gradation)
- Atterberg Limits, Liquid Limit, Plastic Limit and Plasticity Index
- Swell Consolidation Tests
- Direct Shear Strength Test

A synopsis of some of our laboratory data for some of the samples tested is tabulated below.

Sample Designation	Percent Passing #200 Sieve	Atterberg Limits LL/PI	Moisture Content (percent)	Dry Density (PCF)	Measured Swell Pressure (PSF)	Swell or Consolidation Potential
TB-1 @ 8.5 feet (shale)	-	-	9.1	124.5	2,170	4.7 (% under 100 psf load)
TB-1; 9.5-13.5 feet	64	27/9	-	-	-	-
TB-1 @ 13.5 feet	-	-	8.5	126.1	1,760	0.4 (% under 500 psf load)
TB-2 @ 3 feet	-	-	8.7	114.8	1,020	2.3 (% under 100 psf load)
TB-2; 4-8 feet	32	19/3	-	-	-	-
TB-2 @ 8 feet	-	-	3.4	115.4	consolidated	-0.6 (% under 500 psf load)
TB-3 @ 3 feet	-	-	5.0	117.3	440	0.2 (% under 100 psf load)
TB-3; 4-8 feet	31	17/2	-	-	-	-
TB-3 @ 8 feet	-	-	3.1	127.6	consolidated	-0.4 (% under 500 psf load)
TB-4 @ 3 feet	-	-	5.7	113.1	350	0.1 (% under 100 psf load)
TB-4; 4-8 feet*	19	19/3	3.8	126.8*	1,330	0.3 (% under 500 psf load)
TB-5 @ 7 feet*	-	-	3.9	130.9*	700	0.5 (% under 100 psf load)
TB-6 @ 7 feet*	-	-	3.8	124.6*	1,630	1.6 (% under 100 psf load)
TB-6; 8.5-12 feet	24	19/4	-	-	-	-
TB-7 @ 3 feet (shale)	-	-	7.3	124.6	950	1.3 (% under 100 psf load)
TB-7 @ 8 feet (shale)	-	-	6.0	128.4	<500	0.0 (% under 500 psf load)
TB-8 @ 8 feet	-	-	3.0	125.0	<100	0.0 (% under 100 psf load)
TB-8 @ 13 feet (shale)	-	-	6.0	130.1	1,730	0.4 (% under 500 psf load)
TB-9; 1-7.5 feet	19	17/3	-	-	-	-
TB-9 @ 7.5 feet*	-	-	4.2	127.2	620	0.3 (% under 100 psf load)
TB-10 @ 3 feet	-	-	4.5	111.8	consolidated	-0.2 (% under 100 psf load)

Sample Designation	Percent Passing #200 Sieve	Atterberg Limits LL/PI	Moisture Content (percent)	Dry Density (PCF)	Measured Swell Pressure (PSF)	Swell or Consolidation Potential
TB-11 @ 13 feet*	-	-	3.9	127.4*	350	0.5 (% under 100 psf load)
TB-12; 1-8 feet	28	15/7	-	-	-	-
TB-12 @ 13 feet*	-	-	2.6	125.2	500	0.6 (% under 100 psf load)

***NOTES:**

1. We determine the swell pressure as measured in our laboratory using the constant volume method. The graphically estimated load-back swell pressure may be different from that measured in the laboratory.
2. Negative Swell-Consolidation Potential indicates compression under conditions of loading and wetting.
3. * = Swell-Consolidation test performed on remolded sample due to rock content. Test results should be considered an estimate only of the swell or consolidation potential at the density and moisture content indicated.

Direct Shear Strength Tests: We performed residual direct shear strength tests on a number of composite samples obtained from various test borings. The results of the shear tests are presented as Figures B.26 through B.28 of Appendix B. The test samples were remolded from the material passing the #10 sieve screen. Based on the results of the residual strength shear tests and given the overall granular nature of the subsurface soils at the test locations, we assumed an angle of internal friction of 33 degrees and cohesion of 50 pounds per square foot for our slope stability analyses and lateral earth pressure calculations.

4.0 SLOPE STABILITY ANALYSES

This section of the report provides slope stability analyses for the proposed Buildings A through D. The analyses presented below are local stability analyses and generally address the short-term (temporary) excavations and/or the long-term post-construction local stability of the slopes adjacent to the various buildings.

As discussed in proposal for services, Trautner Geotech does not perform shoring design or observations of shoring systems. If shoring become necessary for either temporary or permanent situations, then a shoring design engineer will need to be consulted. The project shoring plans will need to be stamped/sealed by a professional engineer that is registered to practice engineering in the State of Colorado. The selected shoring design engineer will need to take the necessary steps to verify that the actual exposed subsurface conditions are consistent with their shoring design (including soil strength data and moisture/water conditions), and that the shoring system is being constructed per their design.

There are numerous methods and techniques available for slope stability analysis. Most methods include an evaluation of;

- the strength of the soil materials and/or formational materials within the slope,
- anisotropies within the slope materials, such as formational material bedding planes, and anomalous soil contacts (these types of conditions are not known based on our limited exploration),
- the subsurface water and soil moisture conditions, and,
- the pre-construction and post-construction geometry of the slope areas where development and construction are proposed.

The data developed during the analysis is condensed and used to estimate the forces within a soil mass that tend to drive movement and the forces that tend to resist movement. The ratio of resisting forces to driving forces is often referred to as the “theoretical slope factor of safety” (FOS). A ratio of less than 1.0 indicates that the driving forces within a soil mass are greater than the resisting forces, therefore movement of the slope is occurring or will likely occur. A ratio of 1.0 indicates that the driving forces are equal to the resisting forces, which indicates that movement within the soil can be triggered by only slight increases in the driving forces or slight reductions in the resisting forces. A ratio of greater than one 1.0 is an indication that the driving forces are less than the resisting forces and the slope is not moving. Since there are numerous variables and incongruities within most soil masses, a slope is generally not considered as stable unless the ratio is about 1.5 or greater. Generally, slopes or slope/structure combinations with a theoretical factor of safety that is greater than 1.5 are considered appropriate for sites that will influence the performance of a structure. A factor of safety of 1.3 is sometimes considered adequate for roadway/driveway slope surfaces and temporary excavation cut slope surfaces depending on the situation and/or ramifications of potential future slope movement.

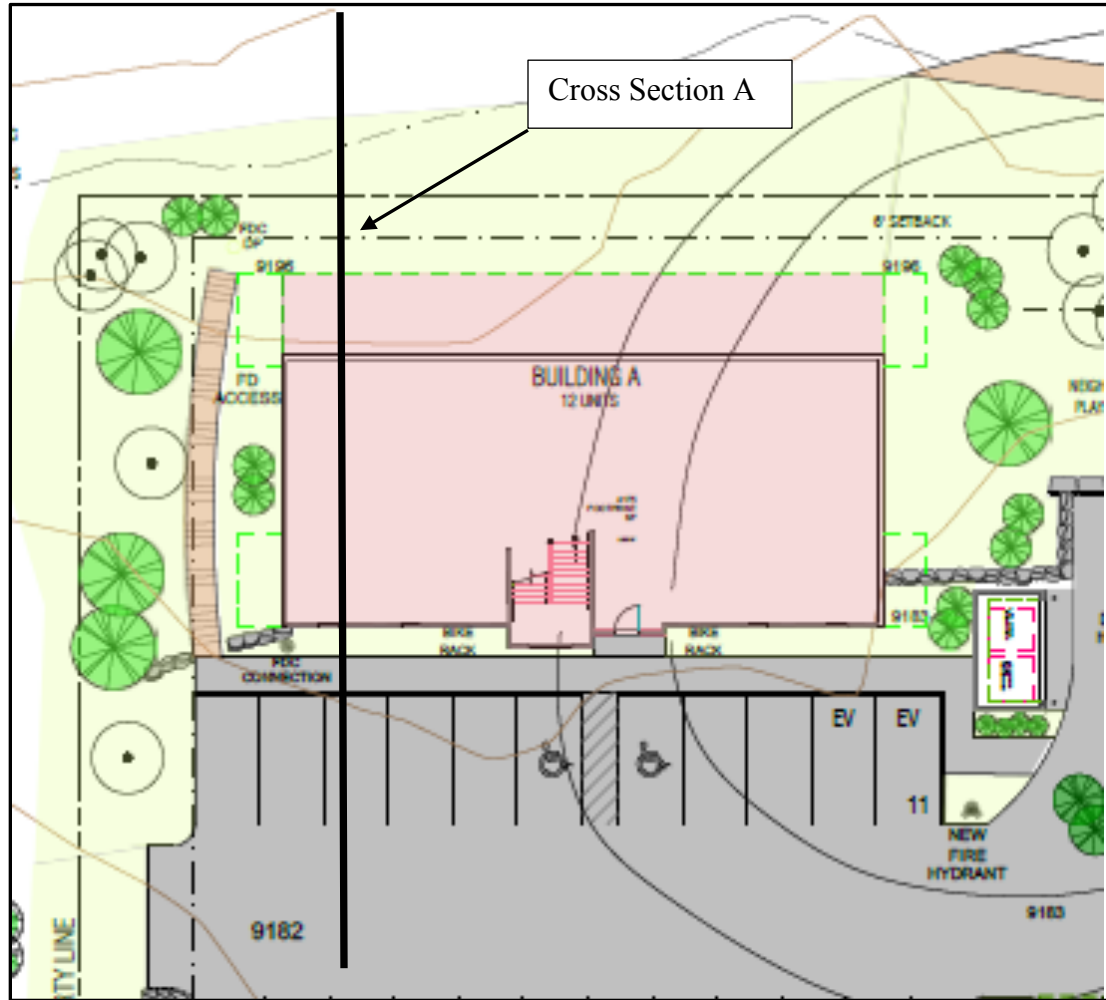
We used SLIDE 7.0 slope stability software to evaluate the stability of computer modeled slope cross sections of select portions of this site. We primarily used the Modified Bishop’s Method of slices to analyze the computer modeled slopes. The Modified Bishop’s Method of Slices evaluates the resisting and driving forces within slices of the sloped soil mass along a theoretical semi-circular failure plane. The semicircular failure plane with the lowest theoretical factor of safety is labeled the critical circle.

We have used multiple soil regions/types for the analyses presented below. The soil region shown with the yellow color represents the granular soil deposits that overlie the formational shale materials. We used an angle of internal friction (ϕ) of 33 degrees, cohesion of 50 pounds per square foot (psf), and moist unit weight of 125 pounds per cubic foot (pcf) for these materials. The region shown with the gray color represents the estimated depth/geometry for the Mancos Shale formation (where applicable). We used an undrained shear strength of 3,600 psf and a unit weight of 130 pounds per cubic foot for the suspected formational shale materials.

4.1 Building A Slope Stability Analyses

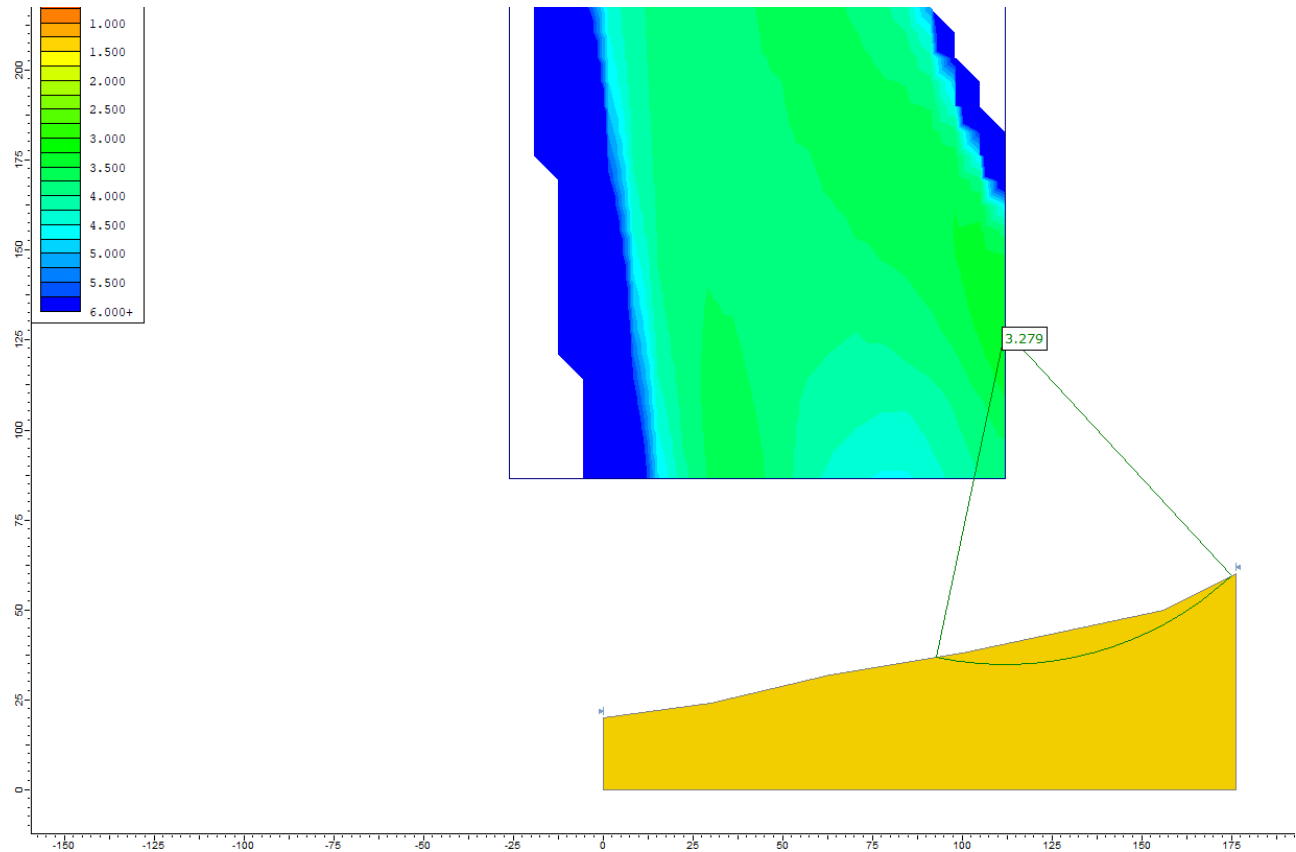
Based on the flatter slope surfaces local to Building A and the relatively high soil strength conditions for the native soil deposits, provided the building basement level and other associated retaining structures are designed properly, the long-term post-construction stability of Building A may be considered as being stable. The potential slope stability issues for Building A are likely primarily limited to the temporary excavation phase of the project. The cross section that was analyzed for the slope stability analyses presented in this subsection of the report is indicated as Cross Section A in Figure 4.1.1 below.

Figure 4.1.1: Building A, Cross Section A



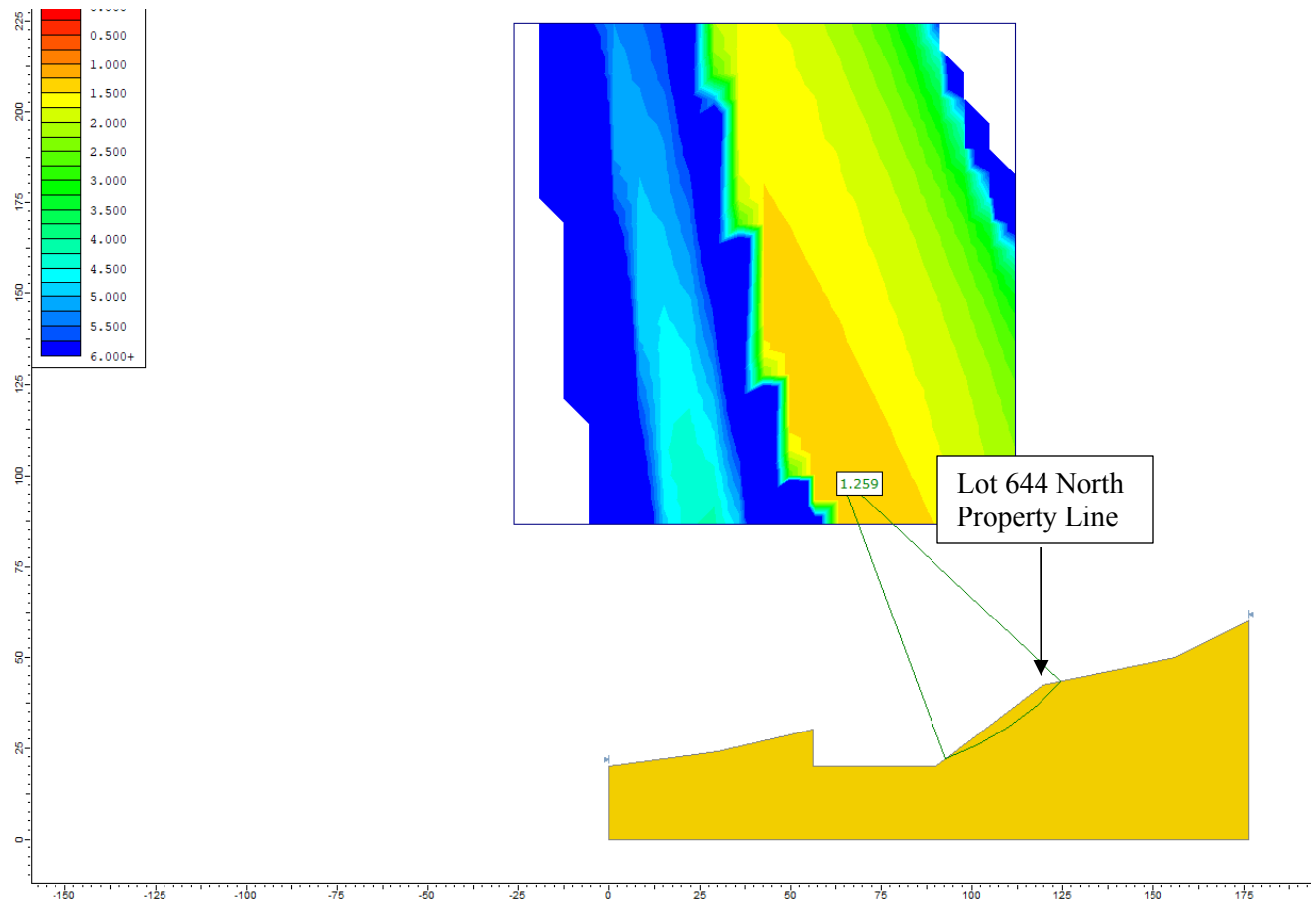
The site topographic plan was referenced for the Cross Section A geometry shown for the analysis below presented as Figure 4.1.2. As indicated in the analysis results below, the factor of safety for the existing (pre-construction) slope surfaces is about 3.3, which is well above a desired minimum factor of safety of 1.5.

Figure 4.1.2: Building A, Cross Section A, Factor of Safety for Existing (pre-construction) slope surfaces, TFOS= 3.3



The analysis presented below as Figure 4.1.3 indicates the theoretical factor of safety (TFOS) for a 1:1; h:v temporary excavation cut slope surface associated with our understanding of the basement level of the structure. It should be noted that the excavation extends to the north property line of Lot 644 for our analysis.

Figure 4.1.3: Building A, Cross Section A, Theoretical Factor of Safety for 1:1;h:v temporary excavation cut slope surface for the basement level, TFOS= 1.26



As indicated in the analysis presented above, we obtained a theoretical factor of safety of about 1.26 which is slightly below the commonly accepted standard of 1.3 for temporary excavation cut slope surfaces.

We recommend that excavation shoring of the rear (north) basement level excavation be considered for a number of reasons including;

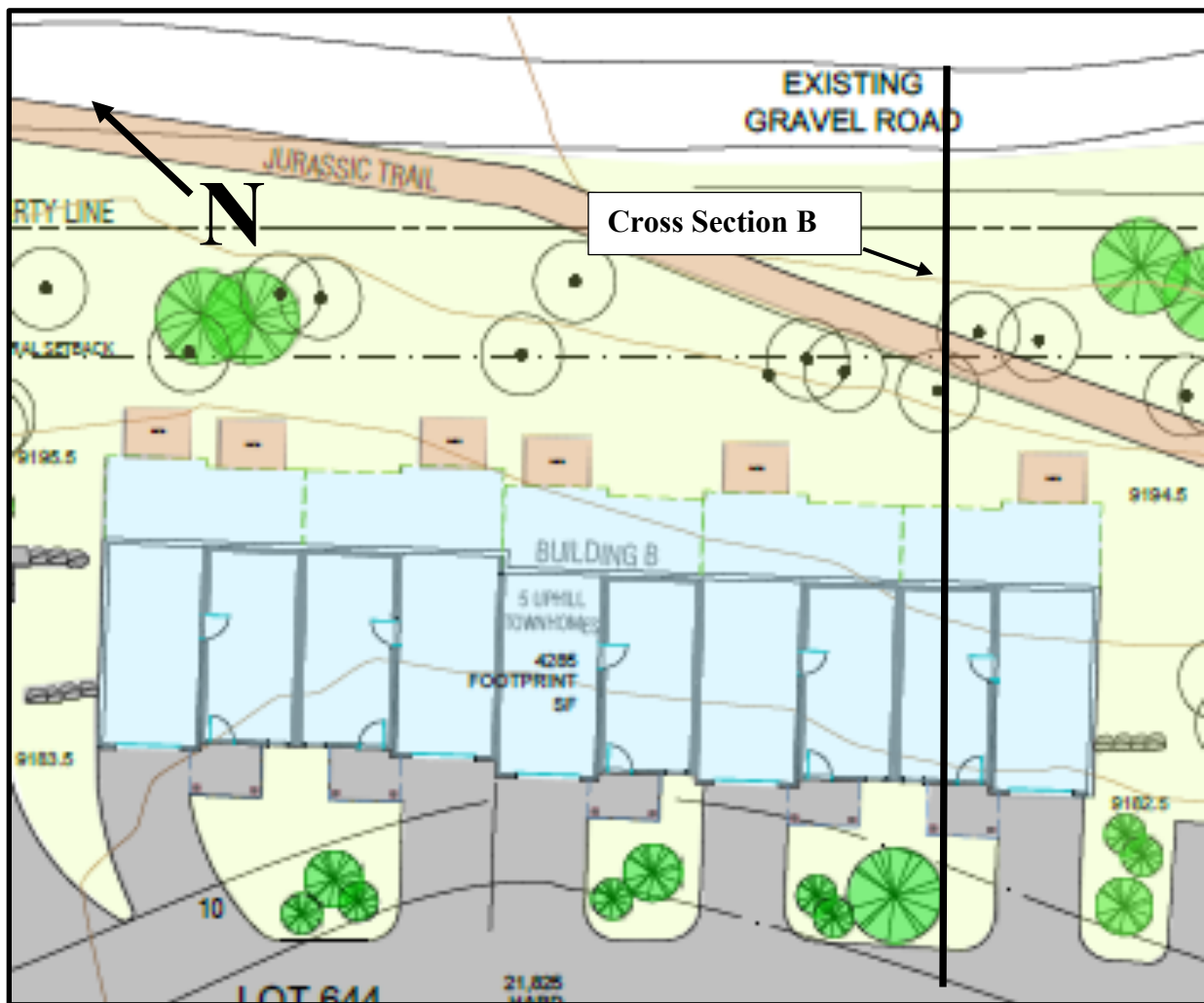
- To achieve a temporary excavation factor of safety greater than 1.3.
- To help limit the extent and related settlement potential of backfill materials placed within the temporary excavation that we understand will support the foundation system for the rear main level portion of the structure that extends beyond (north) of the north basement wall. As with the other structures discussed below and as discussed in our feasibility level report, settlement of retaining wall backfill will influence the performance of spread footings and/or concrete flatwork that are supported over deep fill, even if the fill is properly compacted. If temporary excavation shoring is not utilized then it will likely be necessary to extend the upper-level footings deeper into the backfill zone to limit the magnitude of post construction settlement of the backfill on the spread footings, or consider using a deep foundation system such as micropiles to support the structure footings that are located over areas of deep backfill.

- If the temporary excavation can be shored in a near vertical orientation, close to back face of the basement wall, then the depth and extents of backfill should be relatively limited and therefore the potential influence of settlement within the backfill less of an issue.

4.2 Building B Slope Stability Analyses

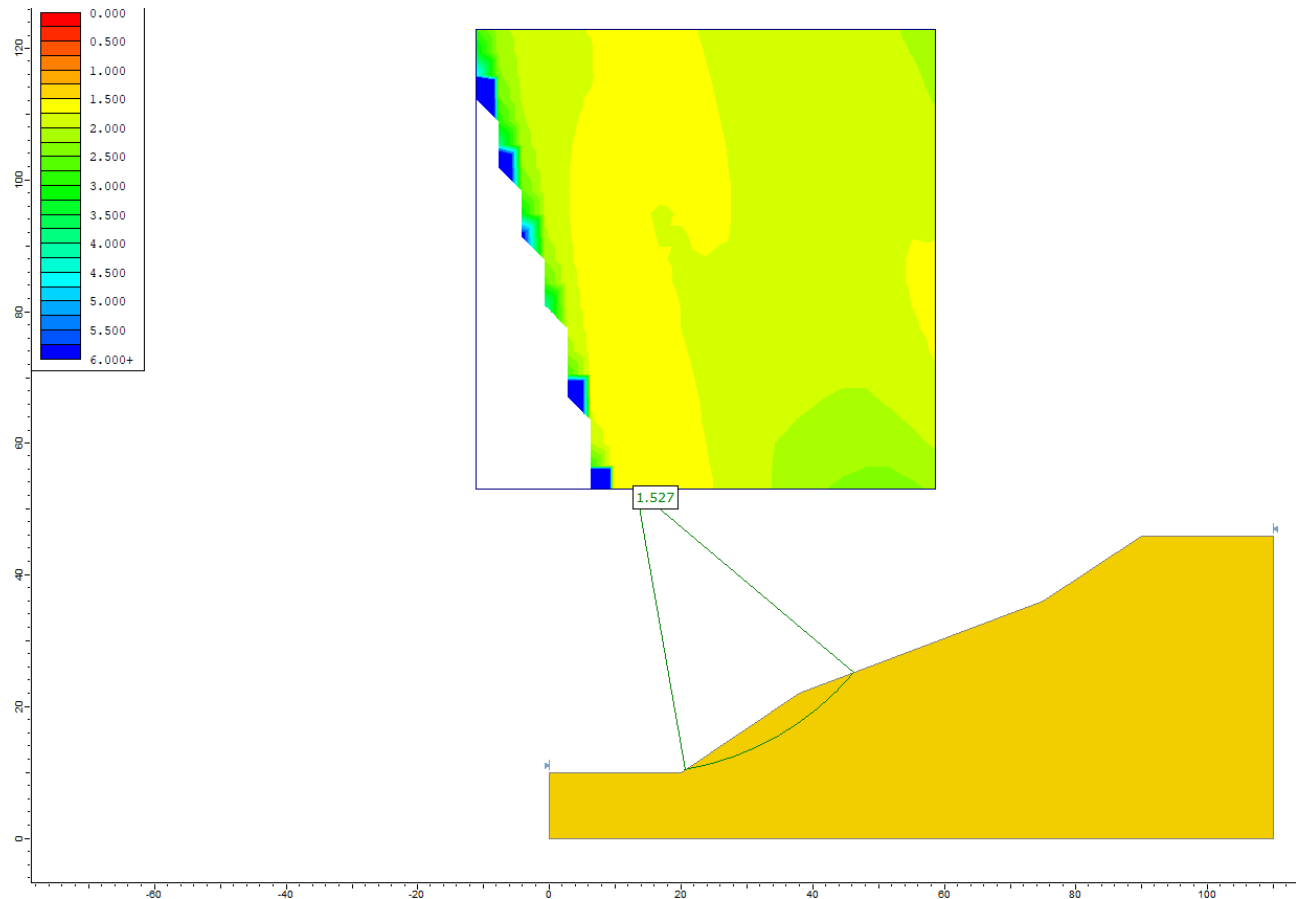
Building B is located on relatively steep slope surfaces with slope inclinations in the range of 2:1 h:v with overlying steeper embankment fill slopes with inclinations in the range of about 1½:1 h:v that are associated with the roadway that parallels the north property line of Lot 644. We analyzed a cross section in the southeastern area of the proposed Building B location where we understand the structure retaining walls will be more extensive in height. The Cross Section analyzed is presented below as Figure 4.2.1.

4.2.1: Building B, Cross Section B



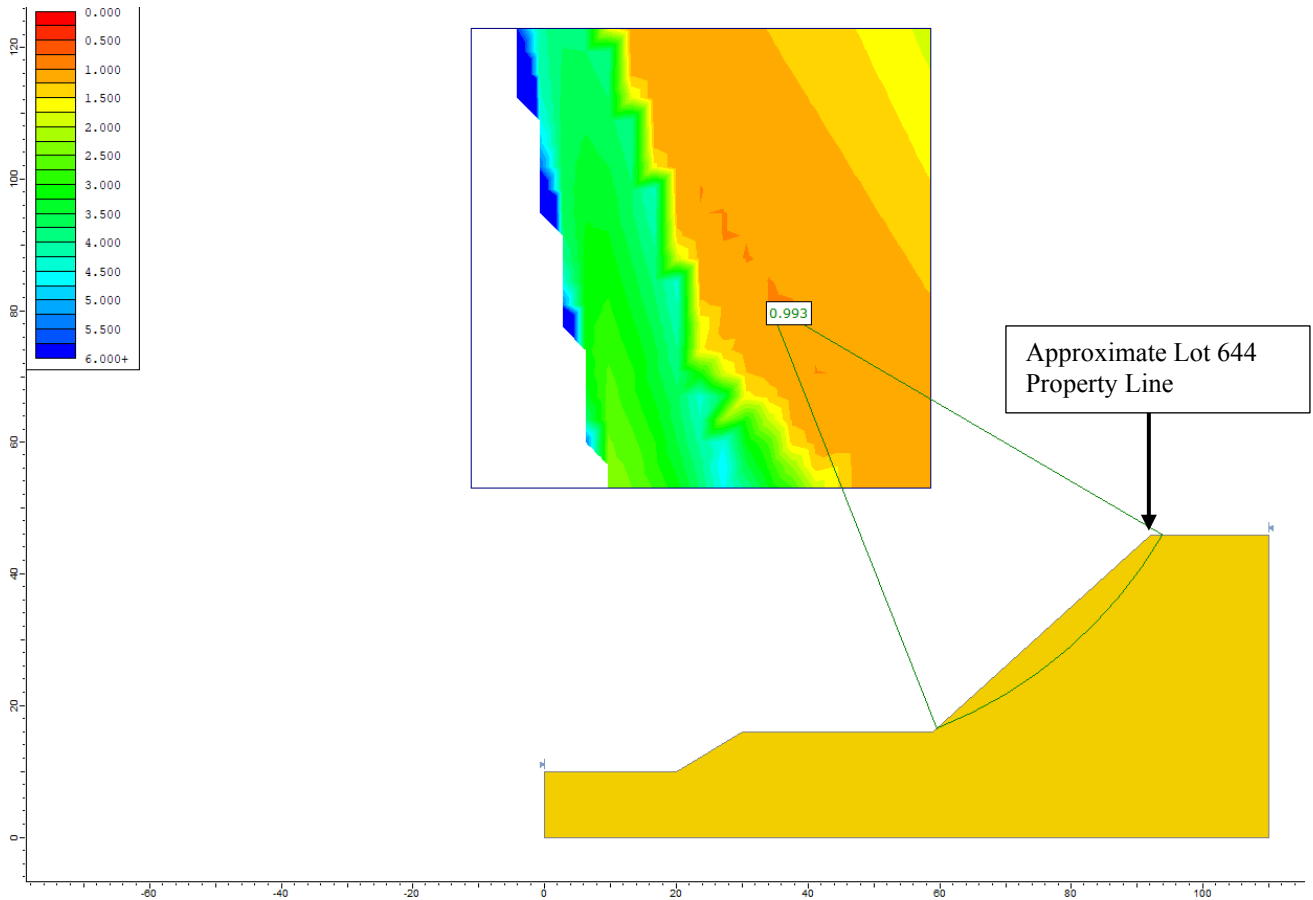
The site topographic plan was referenced for the Cross Section B geometry shown for the analysis presented below as Figure 4.2.2 for the existing slope conditions. As indicated in the analysis results below, the factor of safety for the existing (pre-construction) slope surfaces is about 1.53, which may be considered as being stable in the existing (pre-construction) condition.

Figure 4.2.2: Building B, Cross Section B, Factor of Safety for Existing (pre-construction) slope surfaces, TFOS= 1.53



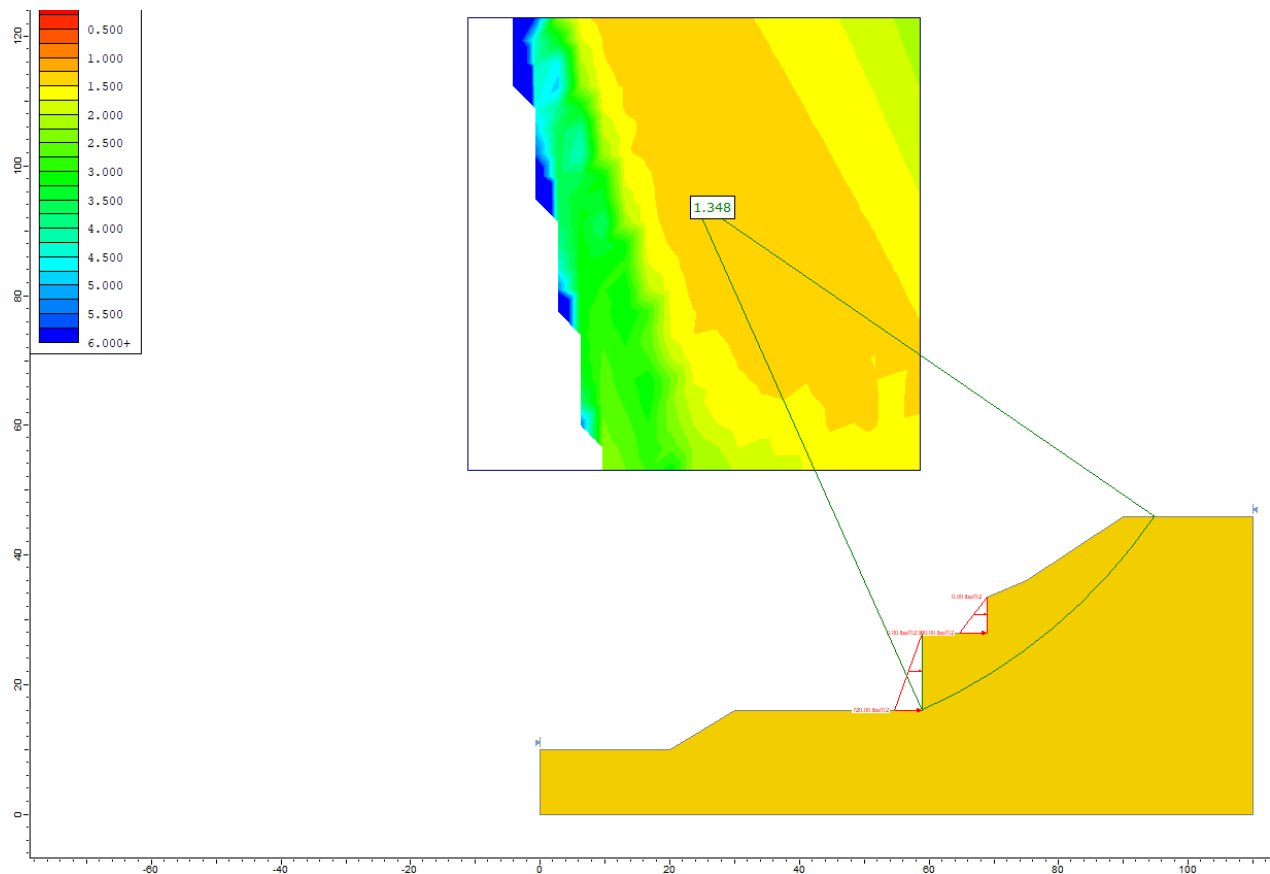
The analysis presented below as Figure 4.2.3 indicates the stability of a hypothetical 1:1; h:v temporary excavation cut slope surface. The geometry shown for this analysis is based on our understanding of the structure layout and finished floor elevations. Note that a 1:1; h:v excavation cut slope surface extends into the roadway area at, or possibly slightly beyond the northeast property line of Lot 644. We obtained a theoretical factor of safety of about 0.99 which indicates that a temporary excavation cut slope of this magnitude would be on the verge of movement/failure. We anticipate that temporary excavation shoring will be needed for at least some areas of the Building B excavation.

Figure 4.2.3: Building B, Cross Section B, Theoretical Factor of Safety for 1:1; h:v temporary excavation cut slope surface for the basement level, TFOS= 0.99.



The analysis presented below as Figure 4.2.4 indicates the stability of a hypothetical post-construction scenario where the structure retaining walls are designed to resist the at-rest lateral earth pressures of the native soils (at rest-pressures are provided later in this report).

Figure 4.2.4: Building B, Cross Section B, Theoretical Factor of Safety for slope/retaining wall geometry designed to resist at-rest lateral earth pressures, TFOS= 1.35.



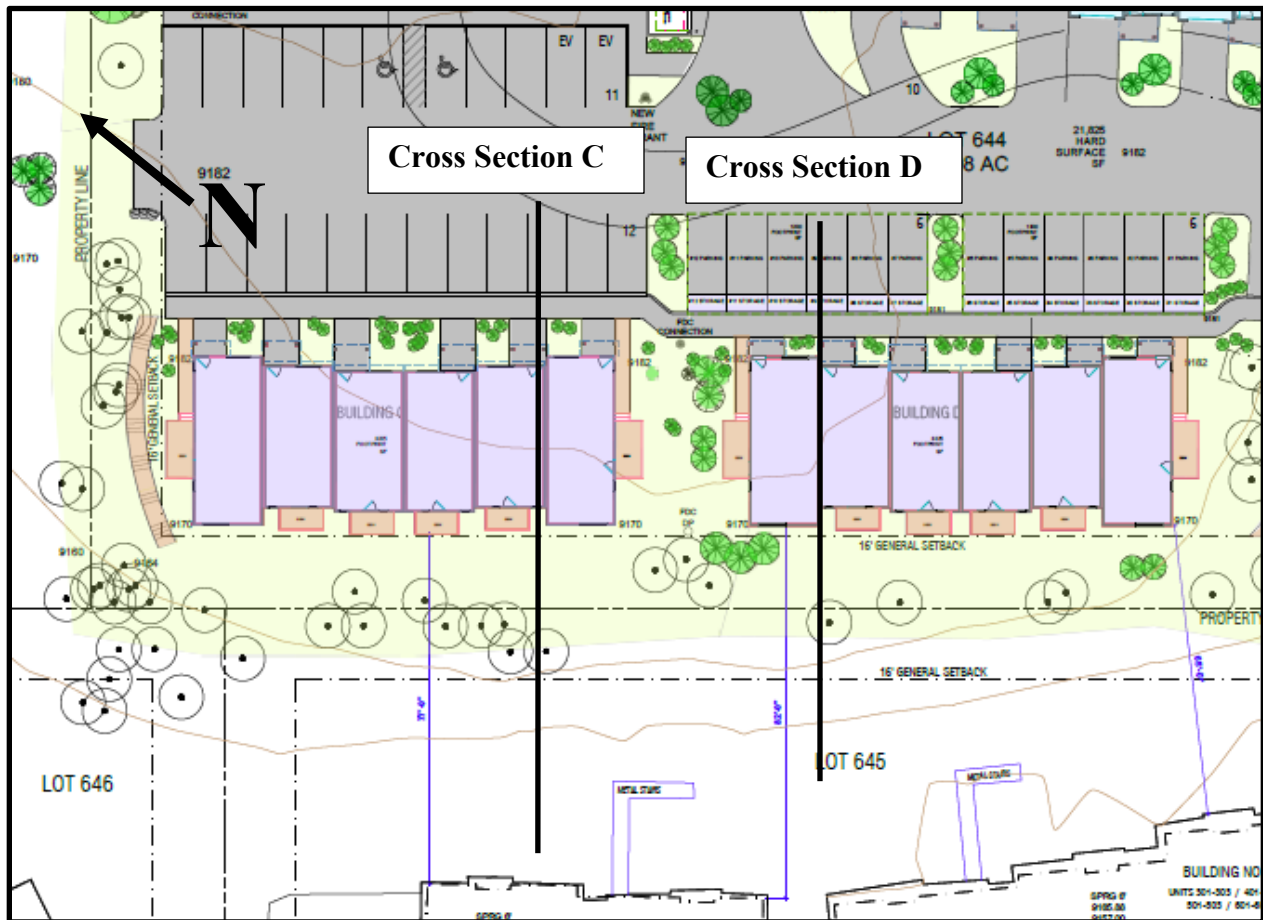
As indicated in the analysis presented above, we obtained a theoretical factor of safety of about 1.35 which is below the accepted standard of 1.5 for long-term structure/slope interaction stability.

Based on the location and our understanding of the proposed finished floor elevations for Building B relative to the adjacent slope geometry, temporary excavation shoring will be needed at least in some areas to achieve a stable slope configuration for temporary excavations. It is likely that the excavation shoring can be designed to provide long-term shoring for the structure as well, allowing the structure retaining walls to be designed with typical at-rest lateral earth pressure conditions or possibly designed with a void space between the shoring and structure walls such that lateral pressures are not exerted on the structure walls. These potential options should be discussed with the project shoring design engineer. In addition, as is the case for Building A, it may be possible to design the shoring system to avoid deep backfill depths below the upper-level foundation system, therefore potentially allowing the use of conventional spread footings that are supported at conventional depths.

4.3 Buildings C and D Slope Stability Analyses

Buildings C and D are located directly above relatively steep excavation cut slope surfaces associated with the Lot 645 Parker Ridge Development. Based on our understanding, the current proposed finished floor elevations for Buildings C and D are similar. We analyzed Cross Sections C and D shown as Figure 4.3.1 below.

4.3.1: Buildings C and D , Cross Sections C and D



The site topographic plan was referenced for the Cross Section D and D geometries shown for the analyses presented below as Figures 4.3.2 and 4.3.3 for the existing slope conditions. As indicated in the analyses presented below, the factor of safety for the existing (pre-construction) slope surfaces ranges from about 1.32 for the Building C alignment to about 1.23 for the Building D alignment, similar to that obtained for our feasibility level study. The most probable slope failures occur in the steep excavation cut slope surfaces associated with the Lot 645 development.

Figure 4.3.2: Building C, Cross Section C, Factor of Safety for Existing (pre-construction) slope surfaces, TFOS= 1.32

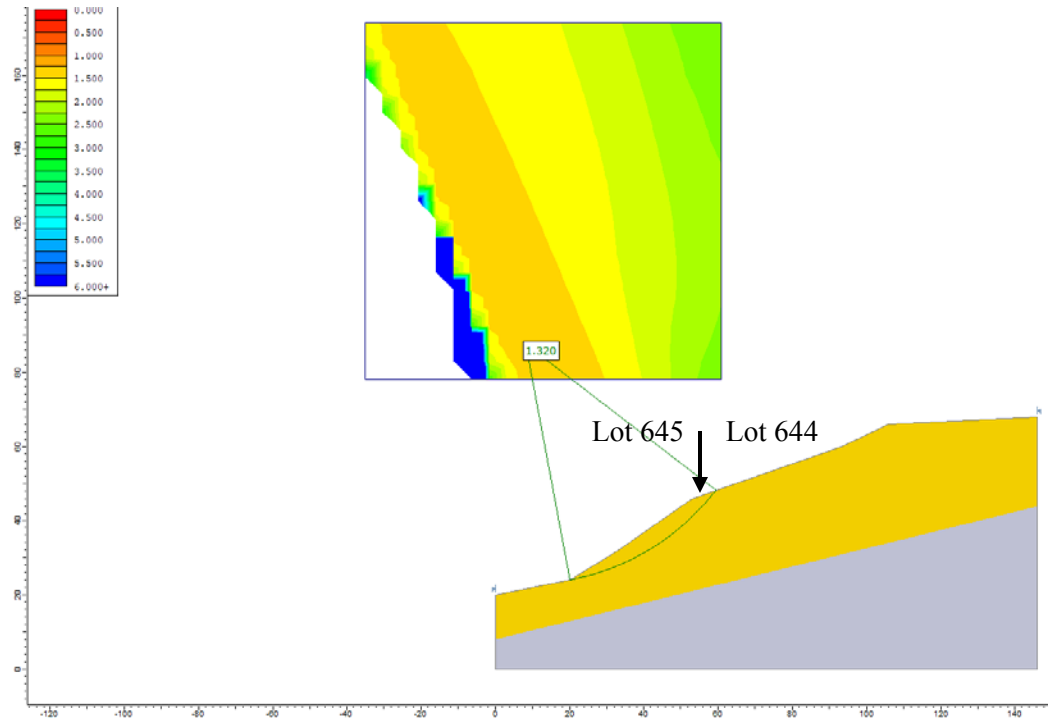
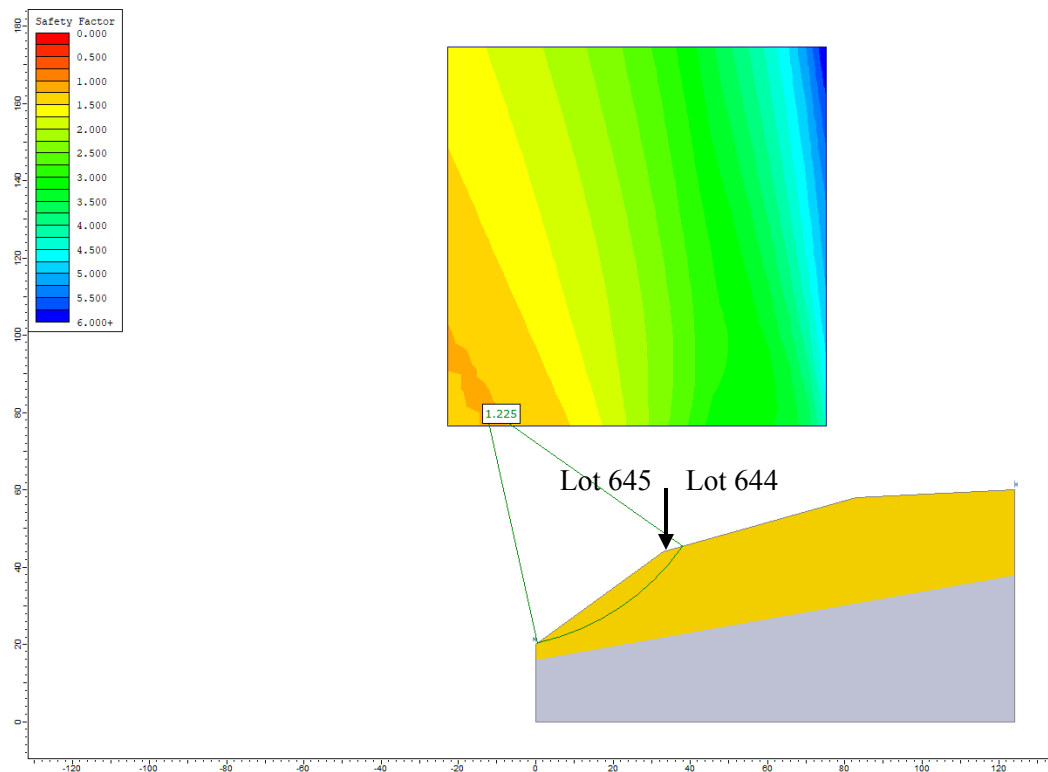


Figure 4.3.3: Building D, Cross Section D, Factor of Safety for Existing (pre-construction) slope surfaces, TFOS= 1.23



The analyses presented below as Figures 4.3.4 and 4.3.5 represent the stability below the proposed Buildings C and D structures based on our understanding of the current proposed lower-level finished floor elevation. A uniform distributed load of 2,500 psf has been applied to the structure area to mimic foundation bearing pressures that act on the support soils above the steep slope surfaces. We obtained a factor of safety ranging from about 1.36 for Building D to about 1.43 for Building C. The factor of safety for these analyses is below the commonly accepted standard of 1.50 for structures. It should be noted that the factor of safety for the steep excavation cut slope surfaces below the modelled building locations will remain at 1.32 to 1.23 as indicated in Figures 4.3.2 and 4.3.3 above. Higher foundation bearing pressures than those modelled below (greater than 2,500 psf) will also further decrease the factor of safety.

Figure 4.3.4: Building C, Cross Section C, Factor of Safety for Post-Construction Conditions Under Building Assuming Current Proposed Finished Floor Elevations and a Uniform Load of 2,500 psf, TFOS= 1.43

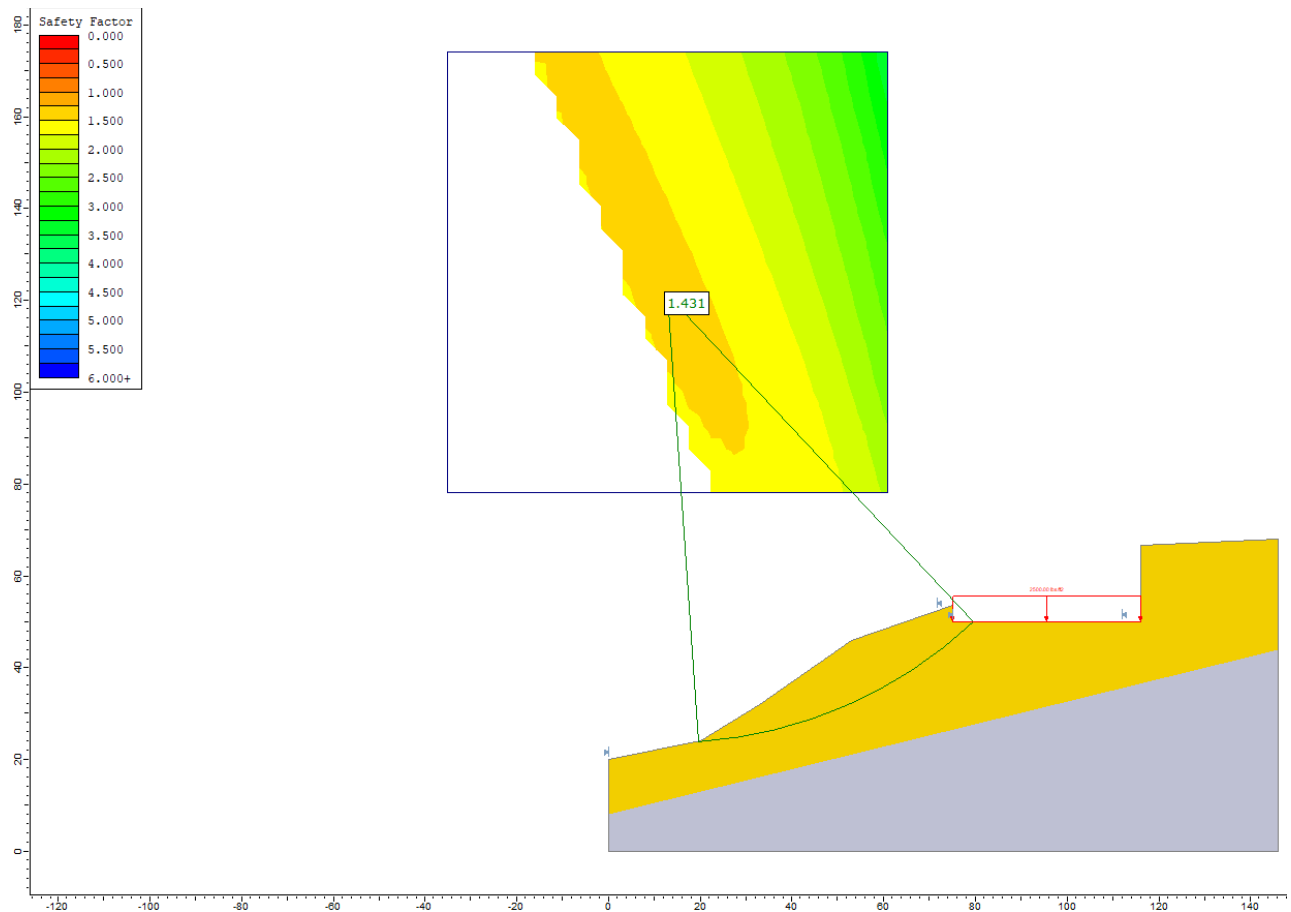
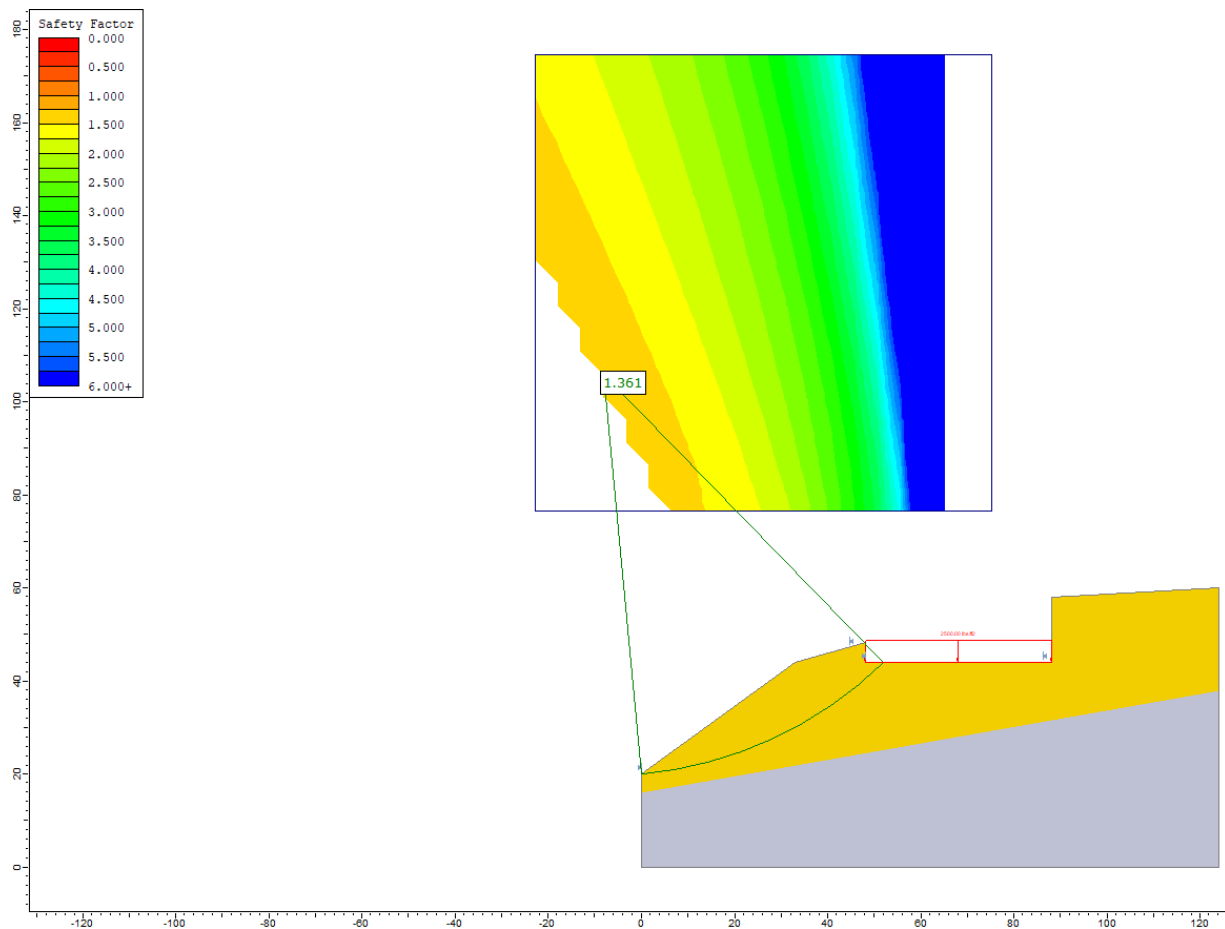


Figure 4.3.5: Building D, Cross Section D, Factor of Safety for Post-Construction Conditions Under Building Assuming Current Proposed Finished Floor Elevations and a Uniform Load of 2,500 psf, TFOS= 1.36



In order to achieve a structure/slope interaction stability of 1.5 or greater, then the foundation bearing elevations and finished floor elevations (unless crawl space areas are used for the lower-level floor) will either need to be lowered deeper into the slope mass, or an auxiliary shoring system will need to be designed and constructed below the structures. The analyses presented below as Figures 4.3.6 and 4.3.7 indicate the needed footing/floor embedment below the slope surfaces for Cross Sections C and D to achieve a minimum factor of safety of 1.5. For the Building C, Cross Section C analysis, a footing embedment of 6 feet below the adjacent existing downslope surface is needed to achieve a factor of safety of 1.5. For the Building D, Cross Section D analysis, a footing embedment of 8 feet below the adjacent existing downslope surface is needed to achieve a factor of safety of 1.5. If concrete slab-on-grade floors are proposed, then the floor elevations will need to be lowered as well to about the top of footing elevation. The extents of the needed increased footing/floor embedment will need to be further analyzed, but will likely include the approximate southern half of the southwestern (downslope) footing alignment for Building C, and the majority of southwestern footing alignment of Building D. Alternatively, and as discussed above, a downslope auxiliary shoring structure may be considered below Buildings C and D to allow for the anticipated current proposed footing bearing elevation as currently planned (we anticipate about 1 foot below the current proposed lower finished floor elevations of the structures).

Figure 4.3.6: Building C, Cross Section C, 6 foot needed footing embedment below adjacent slope surfaces to achieve a TFOS= 1.5

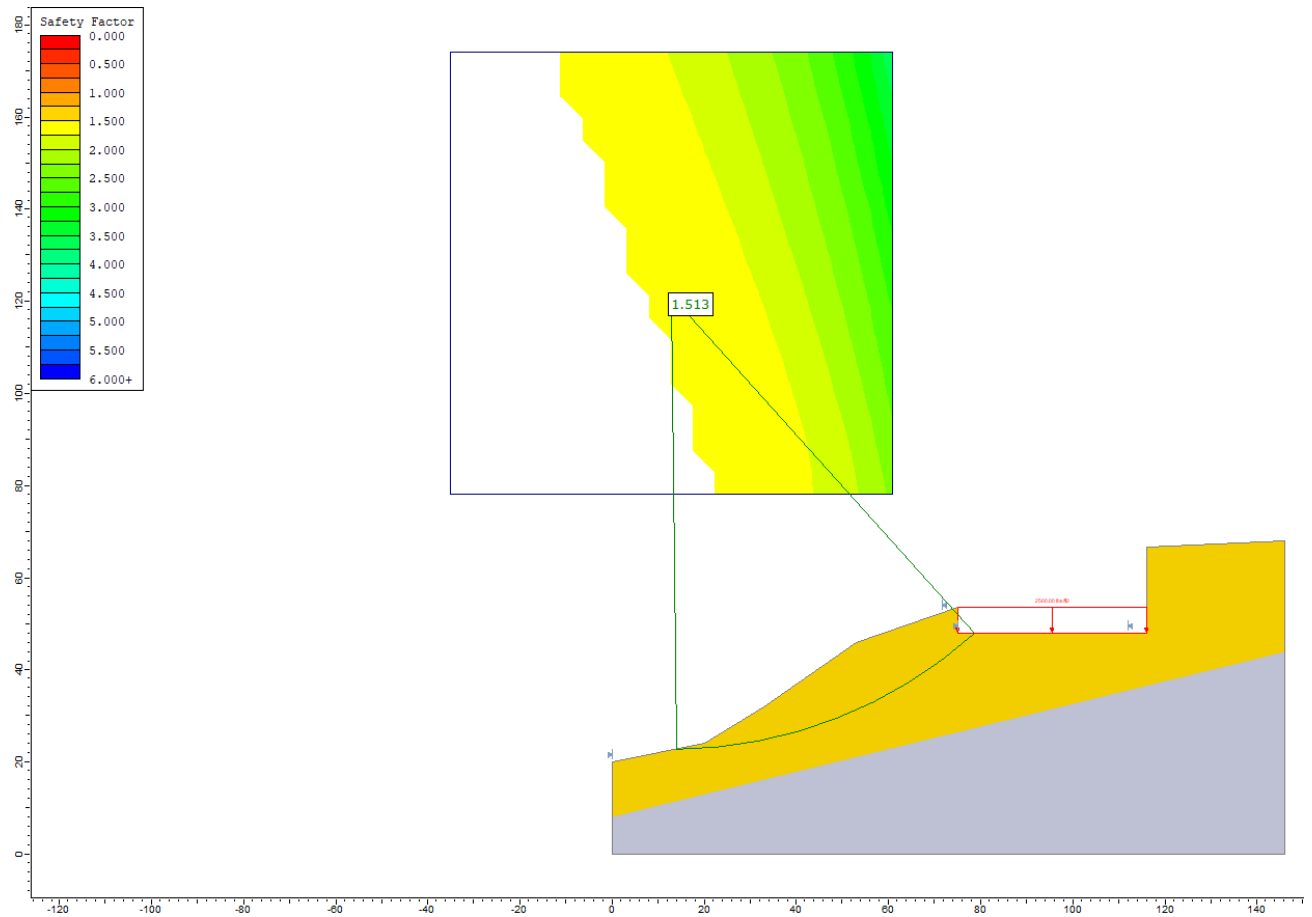
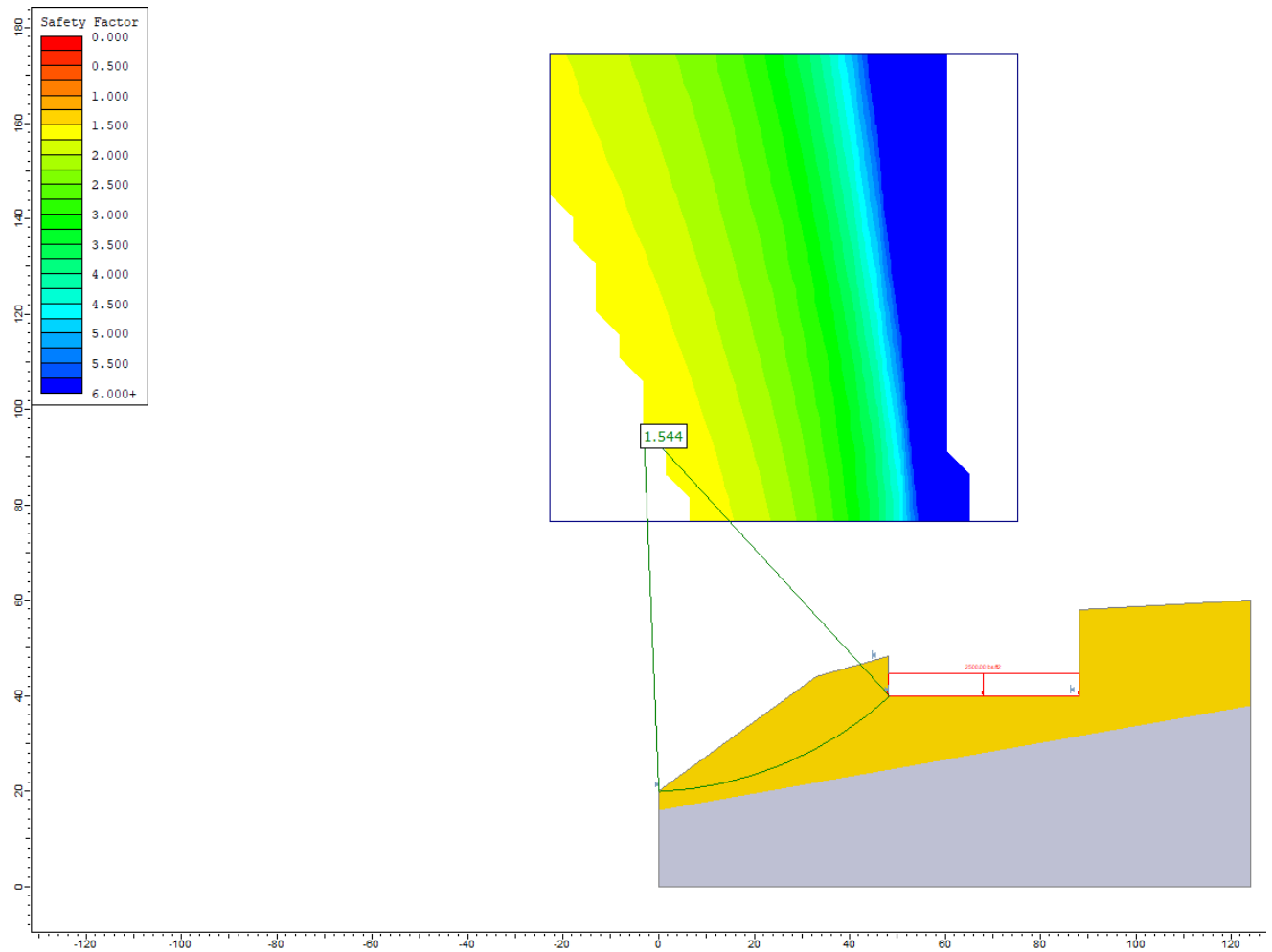
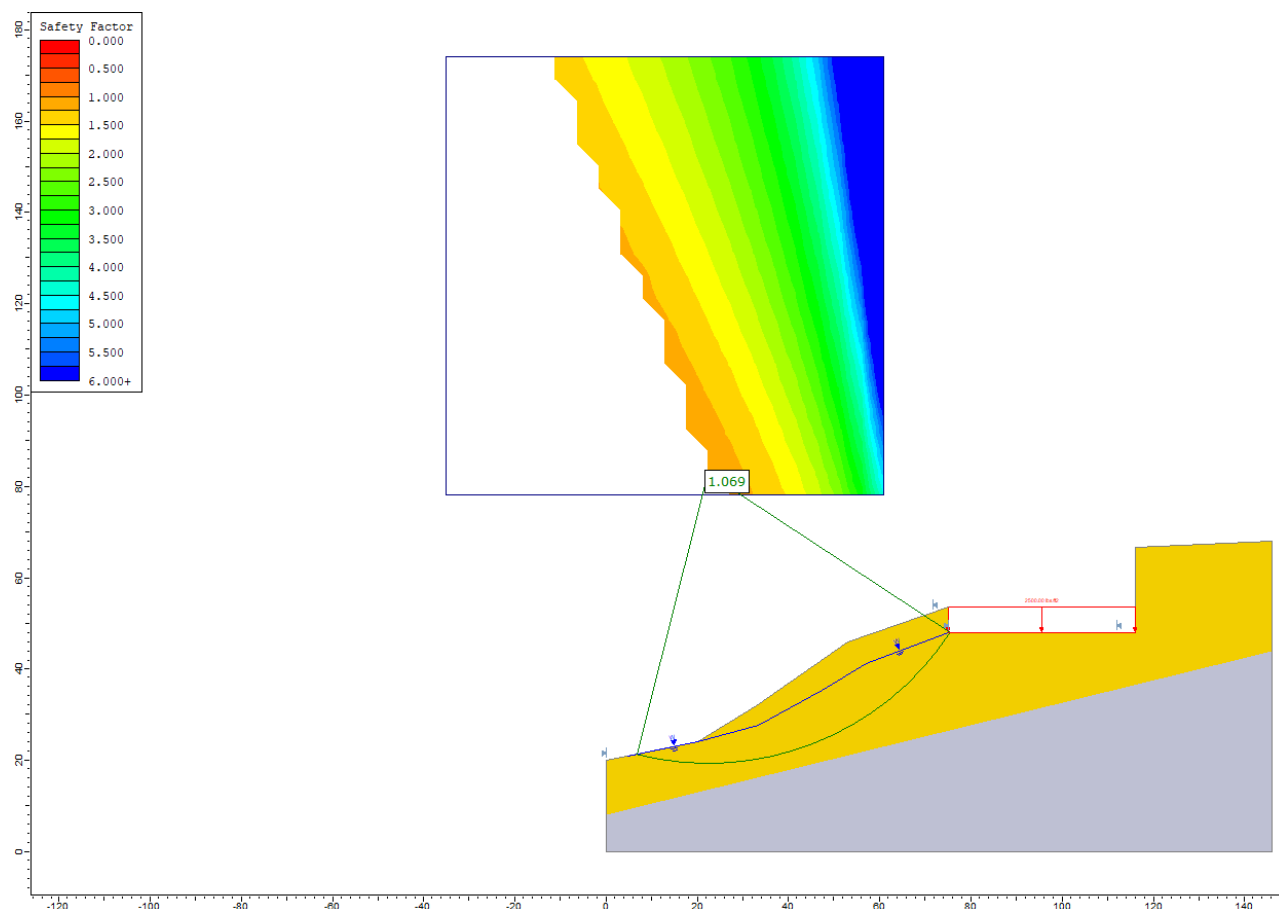


Figure 4.3.7: Building D, Cross Section D, 8 foot needed footing embedment below adjacent slope surfaces to achieve a TFOS= 1.5 or greater



Development of subsurface water in the slope mass below the structures (including Building B) will greatly reduce the stability aspects of the slope surfaces. We did not encounter subsurface water in our test borings at the time of our July 27, 2022 field study, however we anticipate that there is the potential for seasonal subsurface water to develop in some areas of the project site during spring snowmelt months. The development must include adequate surface drainage around the structures to prevent surface water from gaining access to the slope mass. In addition, subsurface foundation drain systems must be included in the project design. The analysis presented below as Figure 4.3.8 indicates the dramatic decrease in stability in the event subsurface water were to develop in the slope mass below the structures. The Building C, Cross Section C alignment was utilized for this analysis. As indicated in the analysis below, the factor of safety is greatly reduced from about 1.51 to 1.07 assuming the subsurface water conditions modelled below.

Figure 4.3.8: Building C, Cross Section C, Factor of Safety for potential development of subsurface water in the slope mass with footing embedment of 6 feet, TFOS= 1.07



Regarding temporary excavation shoring; the commentary/recommendations regarding upper level footings being supported over areas of deep backfill are applicable for Buildings C and D as well. Based on our review of the project layout plans, the extent of upper level footings that would be supported over retaining wall backfill is less extensive than for Buildings A and B. However, care must be taken in the project construction and design to address potential excessive footing settlement over areas of deep fill that exceed about 3 feet in height.

5.0 FOUNDATION RECOMMENDATIONS

Based on the results of the field and laboratory study and from a foundation bearing perspective, a conventional spread footing foundation system may be considered to support Buildings A through D based on the present location of these structures. Our recommendations for spread footings are presented in Section 5.1 below. The following items must be understood if a spread footing foundation system is pursued;

- As discussed in our feasibility level report and in Section 4.0 above, shallow supported foundation systems should be avoided in areas where more than about 3 feet of fill material is needed to establish the foundation support elevation. This situation commonly occurs in

areas where an upper shallow supported footing/foundation extends over retaining wall backfill materials for a lower basement or walk-out level as is the case for. Given this condition, then the footing(s) may need to be stepped down to limit the depth of fill supporting the footings, or an alternative deep foundation system may be considered to support the structure to help limit future settlement of the foundation systems due to post construction consolidation of the fill materials. As discussed, if temporary excavation shoring is utilized and it is constructed near the back face of the retaining structures in a near vertical orientation, then the condition of excessive fill supporting spread footings may be avoided to some degree.

- Lowering the bearing elevation of a spread footing foundation system for Buildings C and D will be needed for portions of the downslope (southwest) footing alignment unless an auxiliary shoring wall system is constructed in order to maintain a structure/slope interaction stability factor of safety of 1.5 or greater.

We have also provided recommendations for drilled micropiles in Section 5.2 below. Micropiles may be considered to help reduce differential and excessive settlement of upper level foundation components that are located over areas of deep fill. The project structural engineer will need to assess whether or not mixing the two types of foundation systems (spread footings and micropiles) within a particular structure is acceptable. There will be potential for differential performance/settlement of spread footings versus micropiles. Typically, mixing foundation types within a particular structure is avoided.

The integrity and long-term performance of each type of foundation system is influenced by the quality of workmanship which is implemented during construction. It is imperative that all excavation and fill placement operations be conducted by qualified personnel using appropriate equipment and techniques to provide suitable support conditions for the foundation system.

5.1 Spread Footings

Properly designed and constructed continuous spread footings with stem walls (or beams) have the ability to distribute forces associated with differential volume changes within the support soils. The rigidity of the system helps reduce differential movement and associated damage to the overlying structure. Volume changes in the soils that support isolated pad footings will result in direct movement of the columns and structural components supported by the columns. Damage to the structure due to this type of movement can be severe. If possible, we recommend that isolated pad footings be avoided and that the foundation system be designed as rigid as is reasonably possible.

Careful preparation of the support soils, placement of granular compacted structural fill, careful placement and compaction of stem wall backfill and positive surface drainage adjacent to the foundation system all help reduce the influence of volume changes in the support soils on the performance of the spread footing foundation system.

All existing fill materials must be removed and replaced with compacted structural fill in areas that will support foundation components, concrete flatwork, or other elements of the project where post construction settlement is undesirable.

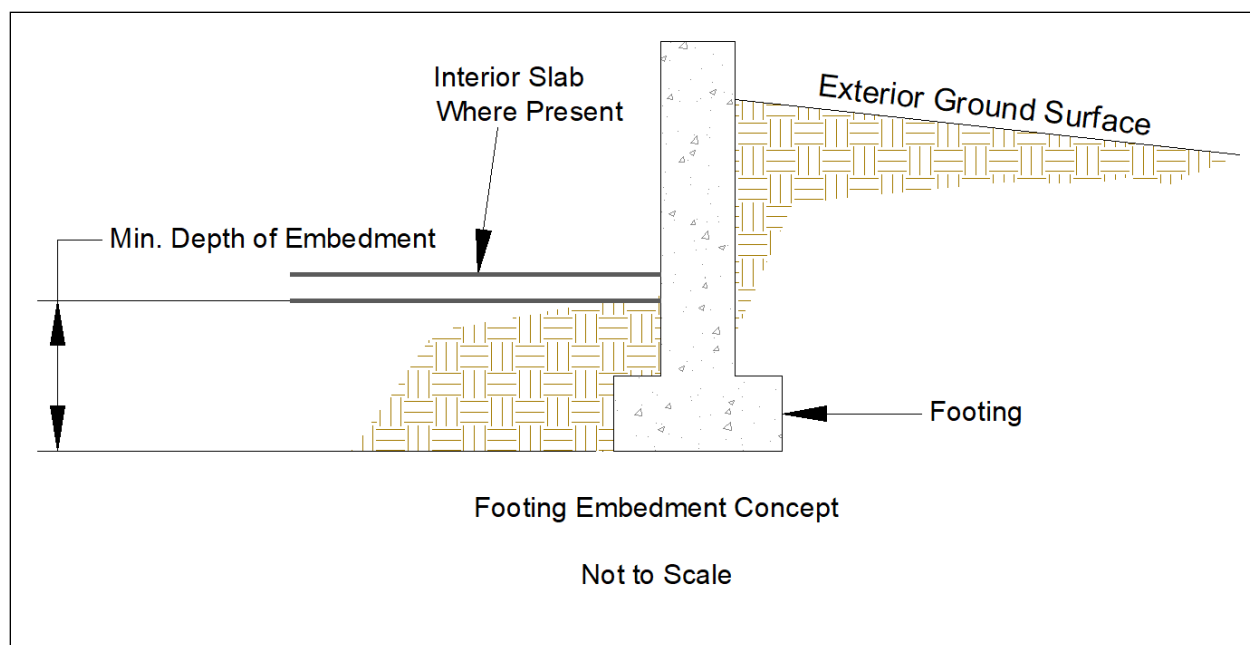
We recommend that the footings be supported by a layer of moisture conditioned and compacted natural soil which is overlain by a layer of compacted structural fill material. This concept is outlined below:

- The foundation excavation should be excavated to at least 12 inches below the proposed footing support elevation.
- The natural soils exposed in the bottom of the excavation should be scarified to a depth of at least 8 inches (except in cases where the formational shale materials are exposed such as the southern area of Building D).
- The scarified soil should be thoroughly moisture conditioned to about 2 percent above the laboratory determined optimum moisture content and then compacted to at least 90 percent of the maximum dry density as defined by the modified Proctor (ASTM D1557).
- After completion of the compaction of the moisture conditioned natural soil, a minimum 12-inch thick layer of granular aggregate base course structural fill material should be placed, moisture conditioned and compacted to at least 90 percent of the maximum dry density as defined by the modified Proctor (ASTM D1557).
 - It may be possible to utilize select areas of the processed native granular soils for use as structural fill. If the native soils will be considered for use as structural fill then they should exhibit less than 20 percent passing the #200 sieve screen and be screened to 2-inch minus and be well graded. We must assess the suitability of the native soils for use as structural fill for the project during the excavation phase of the project.
- We should be contacted to perform field density testing for both the native scarified soil materials and overlying imported structural fill materials.
- Additional structural fill may be needed to help reduce differential settlement across the structure, particularly if isolated pad footings must be used to support portions of the structure, or if poorer quality subgrade soils are exposed at the proposed subgrade elevation.
- The moisture conditioned natural soil material and the granular soils should be compacted as discussed under the Compaction Recommendations portion of this report below.

We recommend that particular attention and detail be given to the following aspects of the project construction for this lot;

- A subsurface drain system should be installed adjacent to the residential structure foundation system and structure retaining walls. General subsurface drain system concepts are presented in Section 7.0 of this report.
- The exterior foundation backfill must be well compacted. Recommendations for exterior foundation backfill are provided later in this report.

All footings should have a minimum depth of embedment of at least 1 foot. Exterior footings should be embedded to frost depth codes for the area. The embedment concept is shown below.



Spread footings located away from sloped areas may be designed using the bearing capacity information tabulated below.

Minimum Depth of Embedment (Feet)	Continuous Footing Design Capacity (psf)	Isolated Footing Design Capacity (psf)
1	2,000	2,000
2	2,500	2,500
3	3,000	3,000

The bearing capacity values tabulated above may be increased by 20 percent for transient conditions associated with wind and seismic loads. Snow loads are not transient loads.

Footings located on, or near slopes may need to have an additional embedment to establish a suitable footing/slope stability condition for the system. We should be contacted to provide additional information for footings located on, or near, sloped areas. In addition, care must be taken for the design of footings that are located adjacent to the project shoring to ensure that the shoring is not adversely loaded and negatively influenced.

The bearing capacity values tabulated above are based on a continuous spread footing width ranging from about 1½ to 3 feet, and an isolated footing width ranging from about 3 to 4 feet. Development of the final footing design width is usually an iterative process based on evaluation of design pressures, footing widths and the thickness of compacted structural fill beneath the footings. We should be contacted as the design process continues to re-evaluate the design capacities above based on the actual proposed footing geometry.

The settlement of the spread footing foundation system will be influenced by the footing size and the imposed loads. We estimated the total post construction settlement of the footings based on our laboratory consolidation data, the type and size of the footing. Our analysis below assumed that the highest bearing capacity value tabulated above was used in the design of the footings. The amount of post construction settlement may be reduced by placing the footings on a blanket of compacted structural fill material.

The estimated settlement for continuous footing with a nominal width of about 1½ to 3 feet are tabulated below.

Thickness of Compacted Structural Fill (feet)	Estimated Settlement (inches)
B/2	About 1/2
B	1/3 - 1/2

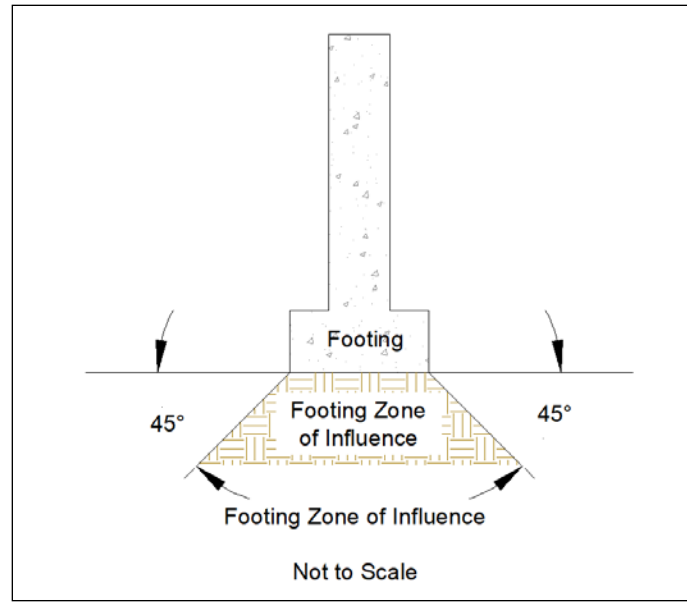
B is the footing width

The estimated settlement for isolated pad footings with a nominal square dimension of about 3 to 4 feet are tabulated below.

Thickness of Compacted Structural Fill (feet)	Estimated Settlement (inches)
B/4	About 2/3
B/2	About 1/2
3B/4	1/3 - 1/2

B is the footing width

The compacted structural fill should be placed and compacted as discussed in the Construction Considerations, “Fill Placement Recommendations” section of this report, below. The zone of influence of the footing (at elevations close to the bottom of the footing) is often approximated as being between two lines subtended at 45 degree angles from each bottom corner of the footing. The compacted structural fill should extend beyond the zone of influence of the footing as shown in the sketch below.



A general and simple rule to apply to the geometry of the compacted structural fill blanket is that it should extend beyond each edge of the footing a distance which is equal to the fill thickness.

All footings should be support at an elevation deeper than the maximum depth of frost penetration for the area. This recommendation includes exterior isolated footings and column supports. Please contact the local building department for specific frost depth requirements.

The post construction differential settlement may be reduced by designing footings that will apply relatively uniform loads on the support soils. Concentrated loads should be supported by footings that have been designed to impose similar loads as those imposed by adjacent footings.

Under no circumstances should any footing be supported by more than 3 feet of compacted structural fill material unless we are contacted to review the specific conditions supporting these footing locations.

The design concepts and parameters presented above are based on the soil conditions encountered in our test borings. We should be contacted during the initial phases of the foundation excavation at the site to assess the soil support conditions and to verify our recommendations.

Some movement and settlement of any shallow foundation system will occur after construction. Movement associated with swelling soils also occurs occasionally. Utility line connections through and foundation or structural component should be appropriately sleeved to reduce the potential for damage to the utility line. Flexible utility line connections will further reduce the potential for damage associated with movement of the structure.

5.2 Micropiles

A micro-pile design is a viable alternative for support of the proposed structure. An experienced micro-pile/soil nail anchor should be contacted for the installation and to assist in the general structural design and construction procedures of the micro-pile elements. Our preliminary design recommendations for a micro-pile foundation system are provided below.

- Based on our field data to date, an allowable grout to soil bond capacity of about 1,250 pounds per square foot may be estimated for the initial project design. The grout to soil bond capacity may be considered valid for both tensional and compressive capacity. It is possible that higher or lower grout to soil bond capacities will be encountered in some areas of the project. The actual grout bond capacity must be established from verification tests that are performed on sacrificial micropiles (discussed in more detail below).
- The upper 4 feet of grout bond and/or the depth of fill materials placed at the micropile locations should be discounted for contribution to the total capacity of the pile.
 - If the micropiles will extend through fill materials, then the fill materials must be compacted as discussed in this report to help provide lateral support and reduce the potential for buckling of the micropile element.
- For micro-pile groups, no reduction in the allowable capacity for the individual piles will be necessary for individual piles spaced greater than 6 pile diameters center-to-center. A reduction factor of 0.65 for each individual pile should be assumed for piles spaced as close as 2.5 pile diameters center-to-center. The reduction factor for piles spaced between 6 and 2.5 pile diameters center-to-center may be interpolated between the reduction factors provided above. The micro-piles should not be spaced closer than 2.5 pile diameters center-to-center.
- A minimum pile length of at least 19 feet should be assumed for the initial project design and project budgeting purposes. The final micropile length will be influenced by the required load capacity of the individual micropiles.
- The recommended minimum pile diameter is 3.5 inches.
- We do not recommend accounting for any lateral resistance for uncased micropiles. Lateral forces should be resolved with battered or heavy section steel cased micropile components.
- If hollow bar “injection-type” micropiles are used the volume of grout, or “grout take” should be measured and monitored during the installation process to ensure that the effective bond diameter is achieved.
- If open-hole micropiles are constructed centralizers should be utilized to ensure that the tendon is maintained in the central portion of the micropile grout.
- We recommend that the grout used for the micropiles develop a minimum compressive strength of at least 5,000 pounds per square inch within 7 days of placement. The micropiles should not receive loads that will cause failure between the grout-tendon interface, or the grout-soil interface at any time during construction or after completion of the foundation system.
- We recommend that several test piles be installed to obtain the actual grout to soil bond resistance. We are available to assist with the testing and location of test piles as the project progresses.
 - We recommend that verification tests be performed on at least two sacrificial micropiles at each structure location to determine the actual ultimate grout bond

capacity for the micropiles. The installed length of the sacrificial test piles should be calculated such that failure of the micropile occurs prior to 80 percent of the yield capacity of the steel reinforcement.

- We recommend that a minimum of 10 percent of the production piles be proof tested to at least 1.6 times the calculated needed design load of the micropiles. The actual number of proof tests on production piles will be somewhat dependent on the layout of the structure and orientation of the micropiles (such as battered piles to resist shear forces). We are available to assist with the development of a testing schedule as the project design progresses.

6.0 RETAINING STRUCTURES

We understand that laterally loaded walls will be constructed as part of this site development. Lateral loads will be imposed on the retaining structures by the adjacent soils and, in some cases, additional surcharge loads will be imposed on the retained soils from vehicles or adjacent structures. The loads imposed by the soil are commonly referred to as lateral earth pressures. The magnitude of the lateral earth pressure forces is partially dependent on the soil strength characteristics, the geometry of the ground surface adjacent to the retaining structure, the subsurface water conditions and on surcharge loads.

The retaining structures may be designed using the values tabulated below. The values tabulated for the native soil materials assumes the granular soil materials that we generally encountered at our test boring locations. The values tabulated for imported granular fill assume the materials meets the specifications for CDOT Class 6 material or similar types of imported material.

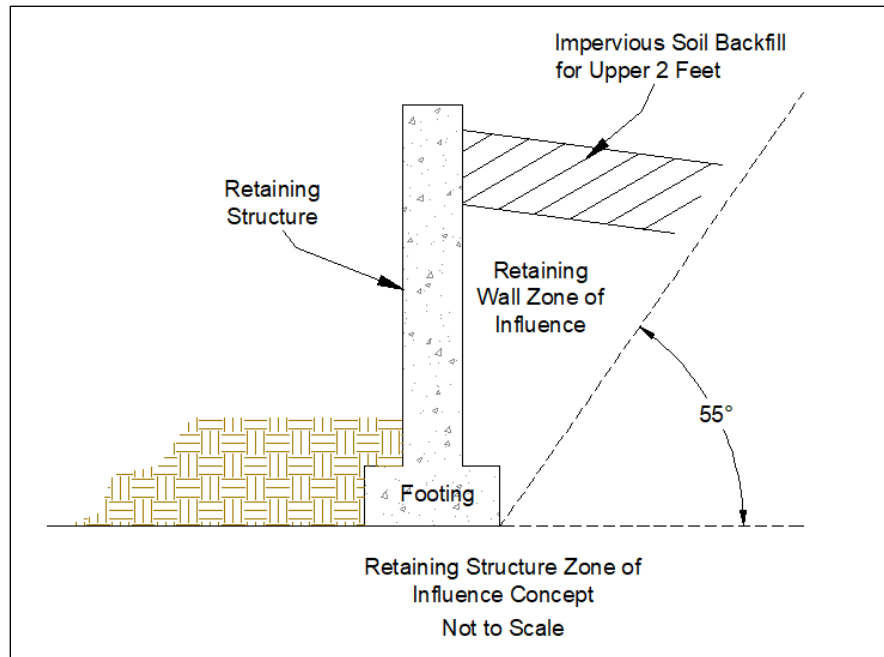
Lateral Earth Pressure Values

Type of Lateral Earth Pressure	Level Native Soil Backfill (pounds per cubic foot)	Level Imported Granular Soil Backfill (pounds per cubic foot)
Active	40	35
At-rest	60	55
Passive	425	460
Allowable Coefficient of Friction	0.43	0.45

Granular soil that is used for the retaining wall backfill may be permeable and may allow water migration to the foundation support soils. There are several options available to help reduce water migration to the foundation soils, two of which are discussed here. An impervious geotextile layer and shallow drain system may be incorporated into the backfill, as discussed in Section 9.5, Landscaping Considerations, below. A second option is to place a geotextile filter material on top of the granular soils and above that place about 1½ to 2 feet of moisture conditioned and compacted site clay soils. It should be noted that if the site clay soils are used volume changes may occur which will influence the performance of overlying concrete flatwork or structural components.

The values tabulated above are for well drained backfill soils. The values provided above do not include any forces due to adjacent surcharge loads or sloped soils. If the backfill soils become saturated the imposed lateral earth pressures will be significantly higher than those tabulated above.

The granular imported soil backfill values tabulated above are appropriate for material with an angle of internal friction of 35 degrees, or greater. The granular backfill must be placed within the retaining structure zone of influence as shown below in order for the lateral earth pressure values tabulated above for the granular material to be appropriate.



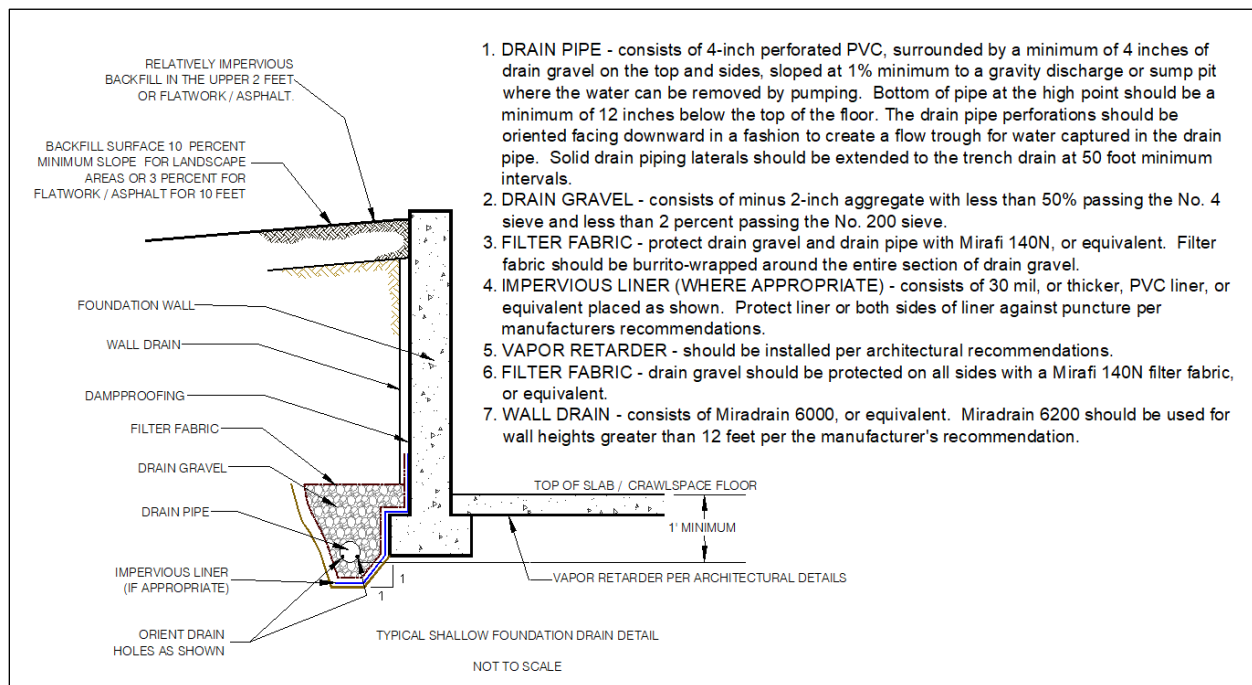
Backfill should not be placed and compacted behind the retaining structure unless approved by the project structural engineer. Backfill placed prior to construction of all appropriate structural members such as floors, or prior to appropriate curing of the retaining wall concrete, may result in severe damage and/or failure of the retaining structure.

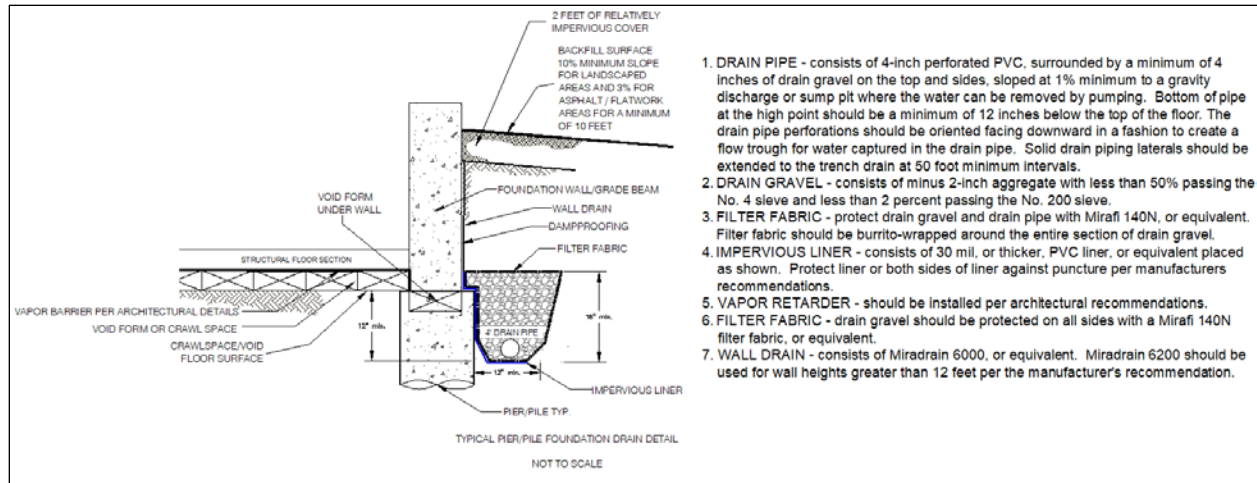
7.0 SUBSURFACE DRAIN SYSTEM

We recommend below-grade construction, such as retaining walls, crawlspace and basement areas, be protected from wetting and hydrostatic pressure buildup by an underdrain and wall drain system. Exterior retaining structures may be constructed with weep holes to allow subsurface water migration through the retaining structures. Topographic conditions on the site may influence the ability to install a subsurface drain system which promotes water flow away from the foundation system. The subsurface drain system concept is discussed under the Subsurface Drain System section of this report below.

A drain system constructed with a free draining aggregate material and a 4 inch minimum diameter perforated drain pipe should be constructed adjacent to retaining structures and/or adjacent to foundation walls. The drain pipe perforations should be oriented facing downward. The system should be protected from fine soil migration by a fabric-wrapped aggregate which surrounds a rigid perforated pipe. We do not recommend use of flexible corrugated perforated pipe since it is not possible to establish a uniform gradient of the flexible pipe throughout the drain system alignment. Corrugated drain tile is perforated throughout the entire circumference of the pipe and therefore water can escape from the perforations at undesirable locations after being collected. The nature of the perforations of the corrugated material further decreases its effectiveness as a subsurface drain conduit.

The drain should be placed at each level of excavation and at least 12 inches below lowest adjacent finish floor or crawlspace grade. The drain system pipe should be graded to surface outlets or a sump vault. The drain system should be sloped at a minimum gradient of about 2 percent, but site geometry and topography may influence the actual installed pipe gradient. Water must not be allowed to pool along any portion of the subsurface drain system. An improperly constructed subsurface drain system may promote water infiltration to undesirable locations. The drain system pipe should be surrounded by about 2 to 4 cubic feet per lineal foot of free draining aggregate. If a sump vault and pump are incorporated into the subsurface drain system, care should be taken so that the water pumped from the vault does not recirculate through pervious soils and obtain access to the basement or crawl space areas. An impervious membrane should be included in the drain construction for grade beam and pier systems or other foundation systems such as interrupted footings where a free pathway for water beneath the structure exists. A generalized subsurface drain system concept is shown below.





There are often aspects of each site and structure which require some tailoring of the subsurface drain system to meet the needs of individual projects. Drain systems that are placed adjacent to void forms must include provisions to protect and support the impervious liner adjacent to the void form. We are available to provide consultation for the subsurface drain system for this project, if desired.

Water often will migrate along utility trench excavations. If the utility trench extends from areas above the site, this trench may be a source for subsurface water within the proposed basement or crawl space. We suggest that the utility trench backfill be thoroughly compacted to help reduce the amount of water migration. The subsurface drain system should be designed to collect subsurface water from the utility trench and direct it to surface discharge points.

8.0 CONCRETE FLATWORK

We anticipate that both interior and exterior concrete flatwork will be considered in the project design. Concrete flatwork is typically lightly loaded and has a limited capability to resist shear forces associated with uplift from swelling soils and/or frost heave. It is prudent for the design and construction of concrete flatwork on this project to be able to accommodate some movement associated with volume changes in the support soils.

The soil samples tested in our understanding of the structure locations have a measured swell potential ranging from about 0.5 to up to about 2.3 percent under a 100 pound per square foot surcharge load. In general, based on the measured swell potential of the site soils, we anticipate that potential uplift of concrete flatwork should be limited to about ½ inch. It is possible that areas of more clayey soils will be encountered that exhibit a higher potential for uplift.

8.1 Interior Concrete Slab-on-Grade Floors

A primary goal in the design and construction of concrete slab-on-grade floors is to reduce the amount of post construction uplift associated with swelling soils, or downward movement due to consolidation of soft soils. A parallel goal is to reduce the potential for damage to the structure associated with any movement of the slab-on-grade which may occur. There are limited options

available to help mitigate the influence of volume changes in the support soil for concrete slab-on-grade floors, these include:

- Preconstruction scarification, moisture conditioning and re-compaction of the natural soils in areas proposed for support of concrete flatwork, and/or,
- Placement and compaction of granular compacted structural fill material

Although the soils on this site do not exhibit a high swell potential when wetted, performance of the structure may be improved by isolating the floors from the interior partition walls. Interior walls may be structurally supported from framing above the floor, or interior walls and support columns may be supported on interior portions of the foundation system.

Concrete slab-on-grade floors should be supported by a layer of granular structural fill overlying the processed natural soils. Interior concrete flatwork should be underlain by scarification, moisture conditioning and compaction of 8 inches of the natural soils followed by placement of at least 12 inches of compacted granular structural fill material that is placed and compacted as discussed in the Construction Considerations, “Fill Placement Recommendations” section of this report, below. We recommend that the compacted structural fill consist of CDOT Class 6 material or similar.

The above recommendations will not prevent slab heave if the expansive soils underlying slabs-on-grade become wet. However, the recommendations will reduce the effects if slab heave occurs. All plumbing lines should be pressure tested before backfilling to help reduce the potential for wetting. The only means to completely mitigate the influence of volume changes on the performance of interior floors is to structurally support the floors over a void space. Floors that are suspended by the foundation system will not be influenced by volume changes in the site soils. The suggestions and recommendations presented in this section are intended to help reduce the influence of swelling soils on the performance of the concrete slab-on-grade floors.

8.1.1 Capillary and Vapor Moisture Rise

Capillary and vapor moisture rise through the slab support soil may provide a source for moisture in the concrete slab-on-grade floor. This moisture may promote development of mold or mildew in poorly ventilated areas and may influence the performance of floor coverings and mastic placed directly on the floor slabs. The type of floor covering, adhesives used, and other considerations that are not related to the geotechnical engineering practice will influence the design. The architect, builder and particularly the floor covering/adhesive manufacturer should be contacted regarding the appropriate level of protection required for their products.

Comments for Reduction of Capillary Rise

One option to reduce the potential for capillary rise through the floor slab is to place a layer of clean aggregate material, such as washed concrete aggregate for the upper 4 to 6 inches of fill material supporting the concrete slabs.

Comments for Reduction of Vapor Rise

To reduce vapor rise through the floor slab, a moisture barrier such as a 6 mil (or thicker) plastic, or similar impervious geotextile material is often placed below the floor slab. The material used should be protected from punctures that will occur during the construction process.

There are proprietary barriers that are puncture resistant that may not need the underlying layer of protective material. Some of these barriers are robust material that may be placed below the compacted structural fill layer. We do not recommend placement of the concrete directly on a moisture barrier unless the concrete contractor has had previous experience with curing of concrete placed in this manner. As mentioned above, the architect, builder and particularly the floor covering/adhesive manufacturer should be contacted regarding the appropriate level of moisture and vapor protection required for their products.

8.1.2 Slab Reinforcement Considerations

The project structural engineer should be contacted to provide steel reinforcement design considerations for the proposed floor slabs. Any steel reinforcement placed in the slab should be placed at the appropriate elevations to allow for proper interaction of the reinforcement with tensile stresses in the slab. Reinforcement steel that is allowed to cure at the bottom of the slab will not provide adequate reinforcement.

8.2 Exterior Concrete Flatwork Considerations

Exterior concrete flatwork includes concrete driveway slabs, aprons, patios, and walkways. The desired performance of exterior flatwork typically varies depending on the proposed use of the site and each owner's individual expectations. As with interior flatwork, exterior flatwork is particularly prone to movement and potential damage due to movement of the support soils. This movement and associated damage may be reduced by following the recommendations discussed under interior flatwork, above. Unlike interior flatwork, exterior flatwork may be exposed to frost heave, particularly on sites where the bearing soils have a high silt content. It may be prudent to remove silt soils from exterior flatwork support areas where movement of exterior flatwork will adversely affect the project, such as near the interface between the driveway and the interior garage floor slab. If silt soils are encountered, they should be removed to the maximum depth of frost penetration for the area where movement of exterior flatwork is undesirable.

If some movement of exterior flatwork is acceptable, we suggest that the support areas be prepared by scarification, moisture conditioning and re-compaction of about 6 inches of the natural soils followed by placement of at least 6 inches of compacted granular fill material. The scarified material and granular fill materials should be placed as discussed under the Construction Considerations, "Fill Placement Recommendations" section of this report, below.

It is important that exterior flatwork be separated from exterior column supports, masonry veneer, finishes and siding. No support columns, for the structure or exterior decks, should be placed on exterior concrete unless movement of the columns will not adversely affect the supported structural components. Movement of exterior flatwork may cause damage if it is in contact with portions of the structure exterior.

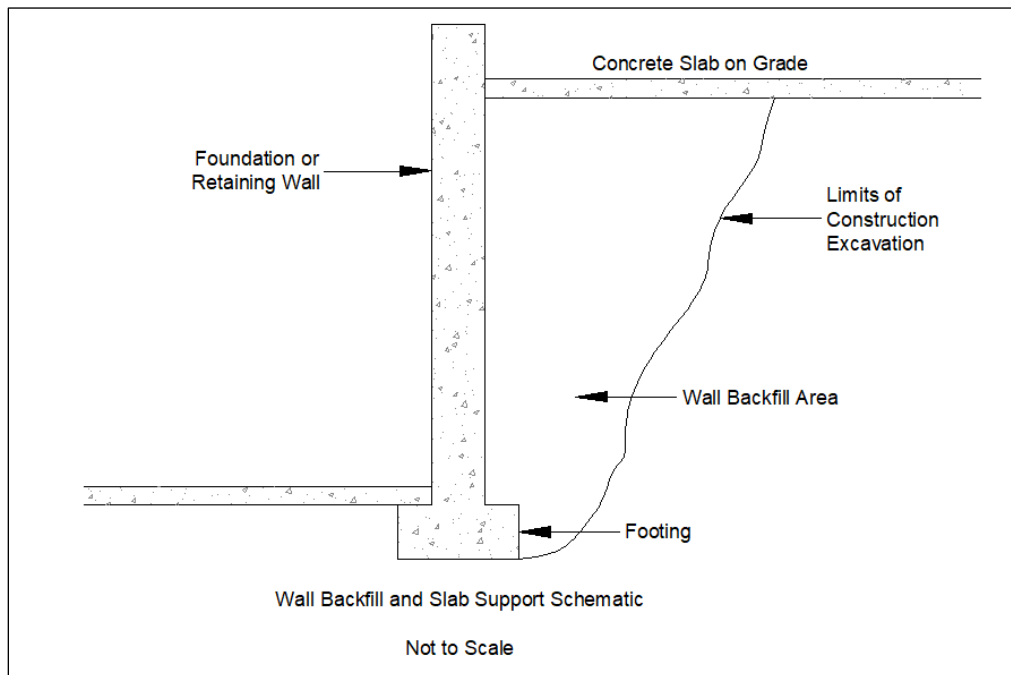
It should be noted that silt and silty sand soils located near the ground surface are particularly prone to frost heave. Soils with high silt content have the ability to retain significant moisture. The ability for the soils to accumulate moisture combined with a relatively shallow source of subsurface water and the fact that the winter temperatures in the area often very cold all contribute to a high potential for frost heave of exterior structural components. We recommend that silty soils be removed from the support areas of exterior components that are sensitive to movement associated with frost heave. These soils should be replaced with a material that is not susceptible to frost heave. Aggregate road base and similar materials retain less water than fine-grained soils and are therefore less prone to frost heave. We are available to discuss this concept with you as the plans progress.

Landscaping and landscaping irrigation often provide additional moisture to the soil supporting exterior flatwork. Excessive moisture will promote heave of the flatwork either due to expansive soil, or due to frost action. If movement of exterior slabs is undesirable, we recommend against placement of landscaping that requires irrigation. The ground surfaces near exterior flatwork must be sloped away from flatwork to reduce surface water migration to the support soil.

Exterior flatwork should not be placed on soils prepared for support of landscaping vegetation. Cultivated soils will not provide suitable support for concrete flatwork.

8.3 General Concrete Flatwork Comments

It is relatively common that both interior and exterior concrete flatwork is supported by areas of fill adjacent to either shallow foundation walls or basement retaining walls. A typical sketch of this condition is shown below.



Settlement of the backfill shown above will create a void and lack of soil support for the portions of the slab over the backfill. Settlement of the fill supporting the concrete flatwork is likely to cause damage to the slab-on-grade. Settlement and associated damage to the concrete flatwork may occur when the backfill is relatively deep, even if the backfill is compacted.

If this condition is likely to exist on this site it may be prudent to design the slab to be structurally supported on the retaining or foundation wall and designed to span to areas away from the backfill area as designed by the project structural engineer. We are available to discuss this with you upon request.

9.0 CONSTRUCTION CONSIDERATIONS

This section of the report provides comments, considerations and recommendations for aspects of the site construction which may influence, or be influenced by the geotechnical engineering considerations discussed above. The information presented below is not intended to discuss all aspects of the site construction conditions and considerations that may be encountered as the project progresses. If any questions arise as a result of our recommendations presented above, or if unexpected subsurface conditions are encountered during construction we should be contacted immediately.

9.1 Fill Placement Recommendations

There are several references throughout this report regarding both natural soil and compacted structural fill recommendations. The recommendations presented below are appropriate for the fill placement considerations discussed throughout the report above.

All areas to receive fill, structural components, or other site improvements should be properly prepared and grubbed at the initiation of the project construction. The grubbing operations should include scarification and removal of organic material and soil. No fill material or concrete should be placed in areas where existing vegetation or fill material exist.

We observed evidence of previous site use and existing man-placed fill during our field work. We suspect that man-placed fill and subterranean structures may be encountered as the project construction progresses. All existing fill material should be removed from areas planned for support of structural components. Excavated areas and subterranean voids should be backfilled with properly compacted fill material as discussed below.

9.1.1 Embankment Fill on Slopes

We must be contacted to analyze proposed embankment fill placed on slopes steeper than about 4:1; h:v, particularly in areas below Buildings C and D. It is likely that fill materials will need to be restrained to provide a stable slope condition for the steeper sloped areas of the project site.

9.1.2 Natural Soil Fill

Any natural soil used for any fill purpose should be free of all deleterious material, such as organic

material and construction debris. Natural soil fill includes excavated and replaced material or in-place scarified material. Our recommendations for placement of natural soil fill are provided below.

- The natural soils should be moisture conditioned, either by addition of water to dry soils, or by processing to allow drying of wet soils. The proposed fill materials should be moisture conditioned to between about optimum and about 2 percent above optimum soil moisture content. This moisture content can be estimated in the field by squeezing a sample of the soil in the palm of the hand. If the material easily makes a cast of soil which remains in-tact, and a minor amount of surface moisture develops on the cast, the material is close to the desired moisture content. Material testing during construction is the best means to assess the soil moisture content.
- Moisture conditioning of clay or silt soils may require many hours of processing. If possible, water should be added and thoroughly mixed into fine grained soil such as clay or silt the day prior to use of the material. This technique will allow for development of a more uniform moisture content and will allow for better compaction of the moisture conditioned materials.
- The moisture conditioned soil should be placed in lifts that do not exceed the capabilities of the compaction equipment used and compacted to at least 90 percent of maximum dry density as defined by ASTM D1557, modified Proctor test.
- We typically recommend a maximum fill lift thickness of 6 inches for hand operated equipment and 8 to 10 inches for larger equipment.
- Care should be exercised in placement of utility trench backfill so that the compaction operations do not damage underlying utilities.
- The maximum recommended lift thickness is about 6 to 8 inches. The maximum recommended rock size for natural soil fill is about 3 inches. This may require on-site screening or crushing if larger rocks are present. We must be contacted if it is desired to utilize rock greater than 3 inches for fill materials.

9.1.3 Granular Compacted Structural Fill

Granular compacted structural fill is referenced in numerous locations throughout the text of this report. Granular compacted structural fill should be constructed using an imported commercially produced rock product such as aggregate road base. Many products other than road base, such as clean aggregate or select crusher fines may be suitable, depending on the intended use. If a specification is needed by the design professional for development of project specifications, a material conforming to the Colorado Department of Transportation (CDOT) “Class 6” aggregate road base material can be specified. This specification can include an option for testing and approval in the event the contractor’s desired material does not conform to the Class 6 aggregate specifications. We have provided the CDOT Specifications for Class 6 material below.

Grading of CDOT Class 6 Aggregate Base-Course Material	
Sieve Size	Percent Passing Each Sieve
1 inch	100
¾ inch	95-100
#4	30-65
#8	25-55
#200	3-12

Liquid Limit less than 30

All compacted structural fill should be moisture conditioned and compacted to at least 90 percent of maximum dry density as defined by ASTM D1557, modified Proctor test. Areas where the structural fill will support traffic loads under concrete slabs or asphalt concrete should be compacted to at least 95 percent of maximum dry density as defined by ASTM D1557, modified Proctor test.

Clean aggregate fill, if appropriate for the site soil conditions, must not be placed in lifts exceeding 8 inches and each lift should be thoroughly vibrated, preferably with a plate-type vibratory compactor prior to placing overlying lifts of material or structural components. We should be contacted prior to the use of clean aggregate fill materials to evaluate their suitability for use on this project.

9.1.4 Deep Fill Considerations

Deep fills, in excess of approximately 3 feet, should be avoided where possible. Fill soils will settle over time, even when placed properly per the recommendations contained in this report. Natural soil fill or engineered structural fills placed to our minimum recommended requirements will tend to settle an estimated 1 to 2 percent; therefore, a 3 foot thick fill may settle up to approximately ½ to ¾ inch over time. A 10 foot thick fill may settle up to approximately 2½ inches even when properly placed. Fill settlement will result in distress and damage to the structures they are intended to support. There are methods to reduce the effects of deep fill settlement such as surcharge loading and surveyed monitoring programs; however, there is a significant time period of monitoring required for this to be successful. A more reliable method is to support structural components with deep foundation systems bearing below the fill envelope. We can provide additional guidance regarding deep fills up on request.

9.2 Excavation Considerations

Unless a specific classification is performed, the site soils should be considered as an Occupational Safety and Health Administration (OSHA) Type C soil and should be sloped and/or benched according to the current OSHA regulations. Excavations should be sloped and benched to prevent wall collapse. Any soil can release suddenly and cave unexpectedly from excavation walls, particularly if the soils is very moist, or if fractures within the soil are present. Daily observations of the excavations should be conducted by OSHA competent site personnel to assess safety considerations.

We did not encounter free subsurface water in our test borings. If water is encountered during construction, it may be necessary to dewater excavations to provide for suitable working conditions.

Scattered boulders were encountered in our test borings and large boulders are known to be present throughout the vicinity. Due to the size of the boulders encountered in the vicinity, if encountered, they may be difficult to remove using conventional excavation techniques and equipment. Removal of large boulders can also create a void of loose soil beneath structural components, which may require additional removal of loose soil and replacement with structural fill. In some instances, it may be preferable to leave boulders in place. Reduction in the thickness of the recommended structural fill beneath footings and slabs may also be prudent to limit disturbance to the bearing soils. If large boulders are encountered in the building footprint, a representative of the geotechnical engineer can provide field observations and provide additional recommendations for subgrade preparation.

If possible, excavations should be constructed to allow for water flow from the excavation the event of precipitation during construction. If this is not possible it may be necessary to remove water from snowmelt or precipitation from the foundation excavations to help reduce the influence of this water on the soil support conditions and the site construction characteristics.

9.2.1 Excavation Cut Slopes

We anticipate that some permanent excavation cut slopes may be included in the site development. Temporary cut slopes should not exceed 5 feet in height and should not be steeper than about 1:1 (horizontal to vertical) for most soils. Permanent cut slopes greater than 5 feet or steeper than 2½:1 must be analyzed on a site-specific basis.

9.3 Utility Considerations

Subsurface utility trenches will be constructed as part of the site development. Utility line backfill often becomes a conduit for post construction water migration. If utility line trenches approach the proposed project site from above, water migrating along the utility line and/or backfill may have direct access to the portions of the proposed structure where the utility line penetrations are made through the foundation system. The foundation soils in the vicinity of the utility line penetration may be influenced by the additional subsurface water. There are a few options to help mitigate water migration along utility line backfill. Backfill bulkheads constructed with high clay content soils and/or placement of subsurface drains to promote utility line water discharge away from the foundation support soil.

Some movement of all structural components is normal and expected. The amount of movement may be greater on sites with problematic soil conditions. Utility line penetrations through any walls or floor slabs should be sleeved so that movement of the walls or slabs does not induce movement or stress in the utility line. Utility connections should be flexible to allow for some movement of the floor slab.

9.4 Exterior Grading and Drainage Comments

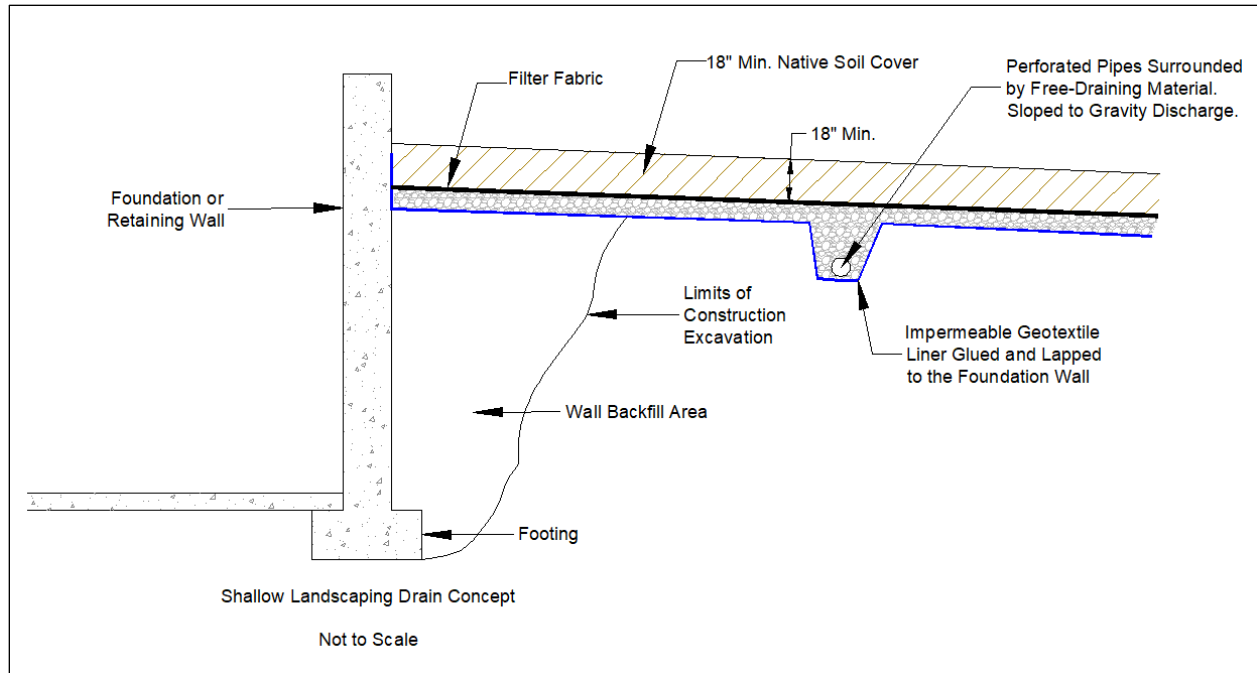
The following recommendations should be following during construction and maintained for the life of the structure with regards to exterior grading and surface drainage.

- The ground surface adjacent to the structure should be sloped to promote water flow away from the foundation system and flatwork.
- Snow storage areas should not be located in areas which will allow for snowmelt water access to support soils for the foundation system or flatwork.
- The project civil engineer, architect or builder should develop a drainage scheme for the site. We typically recommend the ground surface surrounding the exterior of the building be sloped to drain away from the foundation in all directions. We recommend a minimum slope of 12 inches in the first 10 feet in unpaved areas and a minimum slope of 3 inches in the first 10 feet in paved areas.
- Water flow from the roof of the structure should be captured and directed away from the structure. If the roof water is collected in an eave gutter system, or similar, the discharge points of the system must be located away from areas where the water will have access to the foundation backfill or any structure support soils. If downspouts are used, provisions should be made to either collect or direct the water away from the structure.
- Care should be taken to not direct water onto adjacent property or to areas that would negatively influence existing structures or improvements.

9.5 Landscaping Considerations

We recommend against construction of landscaping which requires excessive irrigation. Generally landscaping which uses abundant water requires that the landscaping contractor install topsoil which will retain moisture. The topsoil is often placed in flattened areas near the structure to further trap water and reduce water migration from away from the landscaped areas. Unfortunately, almost all aspects of landscape construction and development of lush vegetation are contrary to the establishment of a relatively dry area adjacent to the foundation walls. Excess water from landscaped areas near the structure can migrate to the foundation system or flatwork support soils, which can result in volume changes in these soils.

A relatively common concept used to collect and subsequently reduce the amount of excess irrigation water is to glue or attach an impermeable geotextile fabric or heavy mill plastic to the foundation wall and extend it below the topsoil which is used to establish the landscape vegetation. A thin layer of sand can be placed on top of the geotextile material to both protect the geotextile from punctures and to serve as a medium to promote water migration to the collection trench and perforated pipe. The landscape architect or contractor should be contacted for additional information regarding specific construction considerations for this concept which is shown in the sketch below.



A free draining aggregate or sand may be placed in the collection trench around the perforated pipe. The perforated pipe should be graded to allow for positive flow of excess irrigation water away from the structure or other area where additional subsurface water is undesired. Preferably the geotextile material should extend at least 10 or more feet from the foundation system.

Care should be taken to not place exterior flatwork such as sidewalks or driveways on soils that have been tilled and prepared for landscaping. Tilled soils will settle which can cause damage to the overlying flatwork. Tilled soils placed on sloped areas often “creep” down-slope. Any structure or structural component placed on this material will move down-slope with the tilled soil and may become damaged.

9.6 Soil Sulfate and Corrosion Issues

The requested scope of our services did not include assessment of the chemical constituents of corrosion potential of the site soils. Most soils in southwest Colorado are not typically corrosive to concrete. There has not been a history of damage to concrete due to sulfate corrosion in the area.

We are available to perform soluble sulfate content tests to assess the corrosion potential of the soils on concrete if desired.

9.7 Radon Issues

The requested scope of service of this report did not include assessment of the site soils for radon production. Many soils and formational materials in western Colorado produce Radon gas. The structure should be appropriately ventilated to reduce the accumulation of Radon gas in the structure. Several Federal Government agencies including the Environmental Protection Agency

(EPA) have information and guidelines available for Radon considerations and home construction. If a radon survey of the site soils is desired, please contact us.

9.8 Mold and Other Biological Contaminants

Our services do not include determining the presence, prevention or possibility of mold or other biological contaminants developing in the future. If the client is concerned about mold or other biological contaminants, a professional in this special field of practice should be consulted.

10.0 CONSTRUCTION MONITORING AND TESTING

Engineering observation of subgrade bearing conditions, compaction testing of fill material and testing of foundation concrete are equally important tasks that should be performed by the geotechnical engineering consultant during construction. We should be contacted during the construction phase of the project and/or if any questions or comments arise as a result of the information presented below. It is common for unforeseen, or otherwise variable subsurface soil and water conditions to be encountered during construction. As discussed in our proposal for our services, it is imperative that we be contacted during the foundation excavation stage of the project to verify that the conditions encountered in our field exploration were representative of those encountered during construction. Our general recommendations for construction monitoring and testing are provided below.

- Consultation with design professionals during the design phases: This is important to ensure that the intentions of our recommendations are properly incorporated in the design, and that any changes in the design concept properly consider geotechnical aspects.
- Grading Plan Review: A grading plan was not available for our review at the time of this report. A grading plan with finished floor elevations for the proposed construction should be prepared by a civil engineer licensed in the State of Colorado. Trautner Geotech should be provided with grading plans once they are complete to determine if our recommendations based on the assumed bearing elevations are appropriate.
- Observation and monitoring during construction: A representative of the Geotechnical engineer from our firm should observe the foundation excavation, earthwork, and foundation phases of the work to determine that subsurface conditions are compatible with those used in the analysis and design and our recommendations have been properly implemented. Placement of backfill should be observed and tested to judge whether the proper placement conditions have been achieved. Compaction tests should be performed on each lift of material placed in areas proposed for support of structural components.
- If asphaltic concrete is placed for driveways or aprons near the structure we are available to provide testing of these materials during placement.

11.0 CONCLUSIONS AND LIMITATIONS

This study has been conducted based on the geotechnical engineering standards of care in this area at the time this report was prepared. We make no warranty as to the recommendations contained in this report, either expressed or implied. The information presented in this report is

based on our understanding of the proposed construction that was provided to us and on the data obtained from our field and laboratory studies. Our recommendations are based on limited field and laboratory sampling and testing. Unexpected subsurface conditions encountered during construction may alter our recommendations. We should be contacted during construction to observe the exposed subsurface soil conditions to provide comments and verification of our recommendations.

The recommendations presented above are intended to be used only for this project site and the proposed construction which was provided to us. The recommendations presented above are not suitable for adjacent project sites, or for proposed construction that is different than that outlined for this study.

This report provides geotechnical engineering design parameters, but does not provide foundation design or design of structure components. The project architect, designer or structural engineer must be contacted to provide a design based on the information presented in this report.

This report does not provide an environmental assessment nor does it provide environmental recommendations such as those relating to Radon or mold considerations. If recommendation relative to these or other environmental topics are needed and environmental specialist should be contacted.

The findings of this report are valid as of the present date. However, changes in the conditions of the property can occur with the passage of time. The changes may be due to natural processes or to the works of man, on the project site or adjacent properties. In addition, changes in applicable or appropriate standards can occur, whether they result from legislation or the broadening of knowledge. Therefore, the recommendations presented in this report should not be relied upon after a period of two years from the issue date without our review.

We are available to review and tailor our recommendations as the project progresses and additional information which may influence our recommendations becomes available.

Please contact us if you have any questions, or if we may be of additional service.














Respectfully,
TRAUTNER GEOTECH

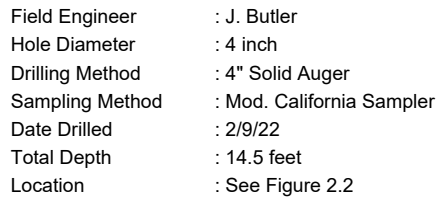


Jonathan P. Butler, P.E.
Geotechnical Engineer

APPENDIX A

Field Study Results






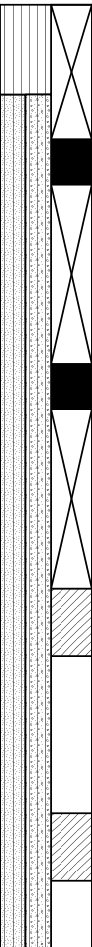
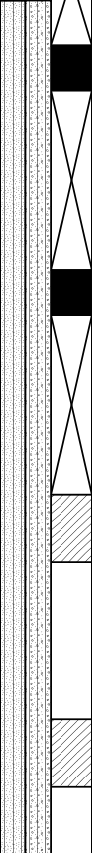
Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow count/Run	Water Level	REMARKS
	<div><div> Bag Sample</div><div> Standard Split Spoon</div><div> Mod. California Sampler</div></div> <div><div> Water Level During Drilling</div><div> Water Level After Drilling</div></div>							
	DESCRIPTION							
0	MAN-PLACED FILL MATERIAL to approximately 6 feet, GRAVEL, SAND, clayey, few cobbles, medium dense, moist, brown		GC			10/6 13/6		
1								
2								
3								
4								
5								
6	CLAY, sandy, few gravels, stiff, moist, brown		CL			11/6 18/6		
7								
8								
9	CLAY, SHALE FRAGMENTS, sandy, few gravels, stiff to very stiff, moist, brown		CL			12/6 20/6		
10								
11								
12								
13								
14								
15								
16								
17								
18	SAND, CLAY, gravelly, medium dense to dense/stiff to very stiff, moist, brown		SC-CL			6/6 6/6 7/6		
19								
20								
21								
22								
23								
24								
25								
26								
27								
28								
29								
30	Bottom of test boring at 30 feet					7/6 9/6 10/6		
31								



Lot 644 Mountain Village Housing Project
Mountain Village, Colorado
Town of Mountain Village

57239GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow count/Run	Water Level	REMARKS
	<div><div><div></div></div> Bag Sample</div> <div><div><div></div></div> Standard Split Spoon</div> <div><div><div></div></div> Mod. California Sampler</div>	<div><div><div></div></div> Water Level During Drilling</div> <div><div><div></div></div> Water Level After Drilling</div>						
0	SILT, sandy, organics, medium stiff, moist, dark brown			ML				
1								
2	GRAVEL, SAND, silty, few cobbles, dense, moist, light brown			GM-SM		7/6 14/6 16/6 24/6 9/6 15/6 18/6		
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
Bottom of test boring at 14.5 feet								
15								
16								






Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow count/Run	Water Level	REMARKS
	<div><div> Bag Sample</div><div> Standard Split Spoon</div><div> Mod. California Sampler</div></div> <div><div> Water Level During Drilling</div><div> Water Level After Drilling</div></div> <th>DESCRIPTION</th>	DESCRIPTION						
0	SILT, sandy, organics to 1.5 feet, medium stiff, moist, dark brown			ML				Organics to 1.5 feet
1								
2	SAND, GRAVEL, silty, few cobbles, dense to very dense, moist, light brown			SM-GM		16/6 25/6 <		

Field Engineer : J. Butler
 Hole Diameter : 4 inch
 Drilling Method : 4" Solid Auger
 Sampling Method : Mod. California Sampler
 Date Drilled : 2/9/22
 Total Depth : 18 feet
 Location : See Figure 2.2

LOG OF TEST BORING TB-4

Lot 644 Mountain Village Housing Project
 Mountain Village, Colorado
 Town of Mountain Village

57239GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow count/Run	Water Level	REMARKS
	<div>  Bag Sample  Standard Split Spoon  Mod. California Sampler </div>	<div>  Water Level During Drilling  Water Level After Drilling </div>						
	DESCRIPTION							
0	SILT, sandy, organics, soft, very moist, dark brown		ML					
1	CLAY, sandy, few gravels, medium stiff, very moist, red		CL					
2								
3						18/6		
4	SAND, GRAVEL, silty, few cobbles, dense to very dense, moist, light brown					50/3		Cobble in Mod. California Sampler
5								
6								
7								
8						18/6		
9						15/6		
10						50/4		
11			SM-GM					
12								
13								
14								
15								
16								
17								
18	Bottom of test boring at 18 feet							
19								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/26/22
Total Depth (approx.) : 23.5 feet
Location : See Figure 2.2

LOG OF BORING TB-5

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div> <div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div> </div>	<div> <div>Water Level During Drilling</div> <div>Water Level After Drilling</div> </div>						
DESCRIPTION								
0	SILT, sandy, organics, soft, moist, dark brown		ML					
1	GRAVEL, SAND, silty, cobbles, medium dense to dense, moist, brown							
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12	SANDSTONE BOULDER from 12 feet to 16 feet							
13								
14								
15								
16	SAND, silty, gravelly, dense, moist, gray							
17								
18								
19								
20	JUMBLED SHALE at 20 feet, Shale, very stiff/hard, moist, gray							
21								
22								
23								
24	Bottom of test boring at 23.5 feet							
25								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/26/22
Total Depth (approx.) : 28.5 feet
Location : See Figure 2.2

LOG OF BORING TB-6

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div> <div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div> </div>	<div> <div>Water Level During Drilling</div> <div>Water Level After Drilling</div> </div>						
DESCRIPTION								
0	SAND, GRAVEL, silty, organics, medium dense, moist, dark brown		SM-GM					
1	GRAVEL, COBBLES, sandy, slightly silty, medium dense to dense, moist, brown							
2								
3								
4								
5								
6								
7								
8	dense to very dense at 7 feet		GM			18/6 24/6 20/6		
9								
10								
11								
12								
13						19/6 27/6 50/4		
14								
15	GRAVEL, SAND, silty, dense, moist, brown		GM					
16								
17								
18								
19								
20								
21	JUMBLED SHALE at 21 feet, Shale, hard/firm, moist, gray							
22								
23								
24								
25	MANCOS SHALE FORMATION at 25 feet, Shale, hard/firm, moist, gray							
26								
27								
28						12/6 24/6 30/6		
29	Bottom of test boring at 28.5 feet							
30								

Field Engineer : Jonathan Butler
 Hole Diameter : 4 Inches
 Drilling Method : Continuous Flight
 : Solid Auger
 Sampling Method : Mod. California Sampler,
 : Standard Split Spoon
 Date Drilled : 7/26/22
 Total Depth (approx.) : 17 feet
 Location : See Figure 2.2

LOG OF BORING TB-7

Lot 644 Mountain Village
 Mountain Village, Colorado
 Michelle Haynes, MPA
 Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div> <div></div> Mod. California Sampler <div></div> Standard Split Spoon <div></div> Bag Sample </div>	<div> <div>▼</div> Water Level During Drilling <div>▽</div> Water Level After Drilling </div>						
0	SILT, sandy, organics, soft, moist, dark brown		ML					
1	WEATHERED MANCOS SHALE FORMATION at 1 foot, Shale, stiff, moist, brown-gray							
2								
3								
4	MANCOS SHALE FORMATION, Shale, hard/firm, moist, brown-gray					23/6 30/6		
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16	Shale with Sandstone lenses from 16 feet to 17 feet, very hard, moist, gray/white							
17	Auger refusal at 17 feet on very hard Sandstone (possible Dakota Sandstone Formation)							
18								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/26/22
Total Depth (approx.) : 13 feet
Location : See Figure 2.2

LOG OF BORING TB-8

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div>	<div>Water Level During Drilling</div> <div>Water Level After Drilling</div>						
DESCRIPTION								
0	SILT, sandy, few gravels, organics, medium stiff, moist, dark brown		ML	<div></div>	<div></div>			
1								
2	SAND, gravelly, slightly silty, dense to very dense, moist, brown		SM	<div></div>	<div></div>			
3								
4								
5								
6								
7								
8								
9								
10	MANCOS SHALE FORMATION at 10 feet, Shale, stiff to hard			<div></div>	<div></div>			
11								
12								
13	Bottom of test boring at 13 feet							
14								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/26/22
Total Depth (approx.) : 22 feet
Location : See Figure 2.2

LOG OF BORING TB-9

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div> <div></div> Mod. California Sampler <div></div> Standard Split Spoon <div></div> Bag Sample </div>	<div> <div>▼</div> Water Level During Drilling <div>▽</div> Water Level After Drilling </div>						
DESCRIPTION								
0	SILT, sandy, gravelly, organics, soft, moist, dark brown		ML					
1	GRAVEL, SAND, slightly silty, few cobbles, medium dense to dense, moist, brown							
2								
3			GM-SM					
4								
5	SAND, gravelly, slightly silty, few cobbles, dense, moist, tan							
6								
7								
8						18/6 15/6 10/6		
9								
10								
11								
12								
13			SM			11/6 12/6 50/6		
14								
15								
16								
17								
18								
19								
20								
21								
22	Bottom of test boring at 22 feet							
23								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/26/22
Total Depth (approx.) : 6 feet
Location : See Figure 2.2

LOG OF BORING TB-10

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div>	<div>Water Level During Drilling</div> <div>Water Level After Drilling</div>						
DESCRIPTION								
0	SILT, sandy, organics, soft, moist, dark brown		ML	<div></div>				
1								
2	SAND, cobbles, slightly clayey, medium dense to dense, moist, tan		SC	<div></div>				
3						8/6		
4						16/6		
5								
6	BOULDER at 6 feet, Auger refusal							
7								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/27/22
Total Depth (approx.) : 25 feet
Location : See Figure 2.2

LOG OF BORING TB-11

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div>	<div>Water Level During Drilling</div> <div>Water Level After Drilling</div>						
DESCRIPTION								
0	SILT, sandy, organics, soft, moist, dark brown		ML	<div><div></div><div></div></div>	<div><div></div><div></div></div>			
1								
2	SAND, silty, few gravels, medium dense, moist, brown		SM	<div><div></div><div></div></div>	<div><div></div><div></div></div>			
3								
4	SAND, GRAVEL, slightly silty, few cobbles, dense, moist, tan		SM-GM	<div><div></div><div></div></div>	<div><div></div><div></div></div>	14/6 16/6 15/6		
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								
19								
20								
21								
22								
23								
24								
25	Auger refusal at 25 feet on very dense cobbles							
26								

Field Engineer : Jonathan Butler
Hole Diameter : 4 Inches
Drilling Method : Continuous Flight
: Solid Auger
Sampling Method : Mod. California Sampler,
: Standard Split Spoon
Date Drilled : 7/27/22
Total Depth (approx.) : 17.5 feet
Location : See Figure 2.2

LOG OF BORING TB-12

Lot 644 Mountain Village
Mountain Village, Colorado
Michelle Haynes, MPA
Town of Mountain Village

Project Number: 57525GE

Depth in feet	Sample Type	Water Level	USCS	GRAPHIC	Samples	Blow Count	Water Level	REMARKS
	<div> <div>Mod. California Sampler</div> <div>Standard Split Spoon</div> <div>Bag Sample</div> </div>	<div> <div>Water Level During Drilling</div> <div>Water Level After Drilling</div> </div>						
DESCRIPTION								
0	SILT, SAND, gravelly, organics, soft, moist, dark brown		ML-SM					
1								
2	SAND, gravelly, slightly silty, dense, moist, tan		SM					
3								
4								
5								
6								
7								
8	SAND, GRAVEL, cobbles, slightly silty, dense, slightly moist, tan					14/6		
9						18/6		
10						22/6		
11								
12								
13			SM-GM					
14						14/6		
15						22/6		
16						20/1		
17	SUSPECTED BOULDER at 17 feet, Auger refusal at 17.5 feet (possible Dakota Sandstone Formation)					bounce		
18								
19								