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DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
ESTABLISHING A PLAN FOR
CONDOMINIUM OWNERSHIP OF

VANTAGE POINT-VAIL CONDOMINIUMS
VAIL, COLORADO

KNOW ALL MEN BY THESE PRESENTS:

Joseph L. Levin (herein called "Declarant") does hereby make the following grants, submissions and declarations:

1. Purpose. The purpose of this Declaration is to submit the land, the improvements thereon and the property interests as herein described to condominium form of ownership and use in the manner provided in Title 118, Article 15, Colorado Revised Statutes of 1963, as amended, herein called the Condominium Act.

1.1 Name and address. The name by which this condominium is to be identified is Vantage Point-Vail Condominiums. The address shall be Vail, Colorado, or such other address as may be designated by recorded document.

1.2 Definition of certain terms. As used in this Declaration, certain terms shall have the following meanings:

(a) Condominium unit means an individual air space as described herein and as shown on the condominium map or maps recorded pursuant hereto, which is contained within the interior surfaces of its perimeter walls, floors, ceilings, windows and window frames and doors and door frames.

(b) General common elements means the land more particularly described in Sections 2.1 and 3.1(a) hereinafter, on and over which the condominium building will be located; the foundations, columns, girders, beams, supports, walls, roofs, flues, standpipes, yard, recreation areas, elevators, drives and walkways, the installation of services for public utilities including, but not limited to electricity, gas, water (including all pipes, ducts, flues, wires, cables and conduits used in connection therewith, whether located in common areas or in apartment units); and in general all apparatus and installations existing for common use that are located within the condominium building; and all other parts of the condominium building and land necessary or convenient to its existence, maintenance and safety, or normally in common use.

(c) Limited common elements mean those general common elements reserved for use by fewer than all of the owners of the individual air space units as more particularly described in Section 3.4 hereinafter.

(d) Declaration means this document with all exhibits attached hereto which by this reference are incorporated herein and which document will be recorded pursuant to Colorado Revised Statutes § 118-15-5 (1963).

(e) Map or condominium map means and includes the engineering survey or surveys of the land locating thereon the condominium building, the floor plans and other drawings or diagrammatic plans, including without limitation, charts or schedules depicting all or part of the improvements on the land. The Map will be filed for record pursuant to Colorado Revised Statutes §118-15-5 (1963).

(f) Project means all of the land and improvements initially submitted by this Declaration and the land and improvements subsequently submitted as is provided hereinafter.

2. Development plan.

2.1 Land. The Declarant is the owner of all of the land legally described on Exhibit A. The condominium building is to be constructed on a part of the land described on Exhibit A.

2.2 Condominium building. There shall be one (1) condominium building. Each condominium unit will include a designated parking space; such space to be designated by the Association, hereinafter defined.

3. Submission of property. The "property" or "condominium property" means the land and the condominium building.

3.1 Grant and submission. The Declarant hereby grants, conveys and submits to the declaration the following property:

(a) Land. All of the real property, whether surface estate or estate above the surface particularly described on Exhibit A hereto attached.

(b) Building. All of the building, commonly referred to in this Declaration as the "condominium building" located or to be located on the surface estate described in Exhibit A.

3.2 Division of condominium property into units. The condominium property is divided into fee simple estates known as condominium units as listed and identified on Exhibit B hereto attached. Exhibit B reflects the condominium unit designations and the percentage of undivided interest of each unit in the general common elements of the condominium and common expenses.

3.3 Condominium map. The Map may be filed for record in whole or in parts or sections, from time to time, as the stages of construction of building and other improvements are substantially completed. Each section of the Map filed subsequent to the first or initially filed Map shall be termed a Supplement to such Map and the numerical sequence of such supplements shall be shown thereon. Prior to the conveyance of any condominium unit to a purchaser a Map shall be filed for record locating and depicting the unit being conveyed. The first or initially filed Map shall show the legal description of all the land and a survey thereof. Declarant hereby reserves, whether such reservation is stated on the Map or not, the right to construct additional units not designated thereon, and the right to convey such units as they are completed and after supplements thereto are recorded. In addition, the first filed Map and each supplement

to such Map shall show the following: the location of the subsequently completed building and improvements; the location of the condominium unit within the building, both horizontally and vertically; the thickness of the structural and supporting walls and the thickness of the common walls between or separating the units; the location of any structural components or supporting elements of a building located within a condominium unit; and, the building and condominium unit designations. In addition to supplements to the Map as above provided, the Map and supplements thereto may also be supplemented by filing charts or schedules depicting horizontal and vertical dimensions. There shall be filed for record as a part of the Map the certificate of a registered professional engineer certifying that the Map substantially depicts the location and the horizontal and vertical measurements of the completed building and units, and the units designations, and that such Map was prepared subsequent to substantial completion thereto. Each supplement shall set forth a like certificate when appropriate. Declarant reserves the right to amend a previously recorded map from time to time in order to conform such map to the actual location of the constructed building or improvements. In interpreting the Map, the existing physical boundaries of each separate unit and each building and improvements as constructed shall be conclusively presumed to be its boundaries. Declarant reserves the right to file supplements to the Map, or to any section or part thereof, from time to time.

3.4 Designation of limited common elements. Portions of the general common elements of the condominium building are set aside and reserved for use of the owners of specific condominium units, and such areas shall be known and referred to as the "limited common elements." The owners of condominium units shall have the exclusive use of the balcony appurtenant to each unit as limited common elements. The use of the elevator to the sixth floor will be considered a limited common element appurtenant only to the owners of the unit on the sixth floor, unit 601.

3.5 Easements for encroachments of common elements. If any portion of the common elements now encroaches upon any unit, or if any unit now encroaches upon any other unit or upon any portion of the common elements, as a result of the construction of the building, or if any such encroachment shall occur hereafter as a result of settling or shifting of the condominium building, or for any other reason, a valid easement for the encroachment and for the maintenance of the same so long as the condominium building stands, shall exist. In the event any condominium building, or any adjoining common element, shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, and then rebuilt, encroachments of parts of the common elements upon any unit or upon any portion of the common elements, due to this rebuilding, shall be permitted, and valid easements for such encroachments and the maintenance thereof shall exist so long as the particular condominium building shall stand.

3.6 Conveyance of condominium units. Each condominium unit and the undivided interest in the general common elements and any limited common elements appurtenant thereto shall be inseparable and may be conveyed, leased or encumbered only as a condominium unit. All units except one bedroom units, however, may be used, leased or rented as divisible or separable units in accordance with rules and regulations established by the Association.

3.7 Description of condominium units. Every deed, lease, mortgage, trust deed or other instrument may legally describe the condominium unit by its identifying unit number followed by the words "Vantage Point-Vail Condominiums" with further reference to this declaration. Every such description shall be deemed good and sufficient for all purposes to convey, transfer, encumber, or otherwise affect not only the unit but also the limited common elements, if any appurtenant thereto and the designated interest of the unit in the general common elements.

4. Occupation and use. Each owner (which term as used herein shall mean the individual, individuals, firm, corporation, partnership, association or other legal entity, or any combination thereof, who owns one or more condominium units or an undivided interest therein) shall be specifically subject to the following rights and restrictions:

4.1 Exclusive possession and use restriction. Each owner shall be entitled to exclusive ownership and possession of such owner's unit. Each owner may use the general common elements in accordance with the purposes for which they are intended, residential use and no other use, without hindering or encroaching upon the lawful rights of the other owners. The Association may maintain an office at such location as it may select within the general common elements or within any condominium unit.

4.2 Right of access and emergency repairs. The Board of Managers through the Manager shall have the right of access to each unit and its appurtenant limited common elements from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement of common elements, or at any time deemed necessary for the making of emergency repairs to prevent damage to the common elements in any condominium unit.

4.3 No partition. The common elements shall be owned in common by all of the owners and shall remain undivided, and no owner shall bring any action for partition or division of the common elements. Each condominium unit shall be indivisible and no owner shall bring an action for partition or for division of the condominium unit or any part thereof.

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

(a) That any such junior mortgages shall always be subordinate to all of the terms, covenants, conditions, restrictions, uses, limitations, obligations, lien for common expenses, and other obligations created by this declaration; and

(b) That the mortgagee (which term as used herein shall be deemed to include a beneficiary under deed of trust) of any junior mortgage shall release, for the purpose of restoration of any improvements all of said mortgagee's right, title and interest in and to the proceeds under all insurance policies that may have been placed upon the encumbered premises by the Association. Such release shall be furnished immediately by any such junior mortgagee

upon written request of the Association and, if such request is not granted, such release may be executed by the Association as attorney-in-fact for such junior mortgagee.

5. Owners Association and common expenses. The administration of the condominium property shall be governed by this Declaration, the Articles of Incorporation and the Bylaws of Vantage Point-Vail Condominium Association, Inc., a Colorado nonprofit corporation, herein referred to as the "Association." An owner of a condominium unit or undivided interest therein, upon becoming such an owner, shall be a member of the Association and shall remain a member for the period of his ownership.

✓ 5.1 Duties of Board of Managers. The Association, by and through the Board of Managers elected in accordance with the Articles of Incorporation and the Bylaws of the Association, shall have the duties of the general management, operation and maintenance of the condominium building and the enforcement of the provisions of this Declaration and of the Articles and Bylaws of the Association and rules and regulations adopted thereunder. The Board of Managers may delegate all or any part of its obligations to a managing agent, herein referred to as the "Manager."

5.2 Assessment for common expenses. All owners shall be obligated to pay the estimated assessments imposed by the Board of Managers to meet the common expenses of maintenance, operation and management of the condominium. The assessments shall be made pro rata according to each owner's percentage ownership interest as set forth in Exhibit B hereto. The Board of Managers, or the Manager, may establish any reasonable system for collection periodically of common expenses, in advance or arrears as deemed desirable. Initially assessments for the estimated common expenses on an annual basis shall be made by the Board and shall be payable in equal monthly installments in advance on the first day of each calendar month. At the end of each calendar year the board shall determine actual expenses and either assess each owner or credit against the next ensuing calendar month, as the case may be. Assessments made shall be based upon the estimated cash requirements deemed to be such aggregate sum as the Board shall from time to time determine to be paid by all of the owners. Estimated expenses include the costs of maintenance and operation of the general common elements, expenses of management, taxes and special assessments unless separately assessed, insurance premiums for insurance coverage as deemed desirable or necessary by the Board, landscaping and care of grounds, common lighting, repairs and renovations, wages, common water and utility charges, legal and accounting fees, management fees, expenses and liabilities incurred by the Board of Managers or the Manager under or by reason of this Declaration, payment of any deficit remaining from a previous assessment period, the creation of a reasonable contingency or other reserve or surplus fund as well as other costs and expenses relating to the general common elements. The omission or failure of the Board, or of the Manager, to fix the assessment for any assessment period shall not be deemed a waiver, modification or a release of the owners from their obligation to pay the same.

5.3 Nonpayment of assessments and lien. All sums assessed but unpaid for the share of common expenses chargeable to any condominium unit shall constitute a lien on such unit superior to all other liens and encumbrances except for (i) tax and special assessment liens on the unit in favor of a taxing authority, and (ii) all sums unpaid on a first mortgage of record, including all unpaid obligatory sums as may be provided by such encumbrance. If any assessment shall remain unpaid after 10 days after the due date thereof, the Board of Managers may impose a penalty on such defaulting owner in an amount equal to 1 percent of such assessment. Likewise a penalty equal to 1 percent of the unpaid assessment may be imposed on the first day of each calendar month thereafter so long as such assessment shall be unpaid. To evidence the lien as herein permitted, the Board of Managers may, but shall not be required to, prepare a written notice setting forth the amount of such unpaid indebtedness, the amount of accrued penalty thereon, the name of the owner of the condominium unit and a description of the condominium unit and record the same in the office of the Clerk and Recorder of Eagle County, Colorado. Such lien for assessment shall attach from the due date of the assessment. The lien may be enforced by foreclosure of the defaulting owner's condominium unit by the Association in manner similar to a mortgage on real property upon the recording of a notice or claim thereof. In the event of any such foreclosure the owner shall be liable for the amount of unpaid assessments, any penalties thereon, the costs and expenses of such proceedings, the costs and expenses for filing the notice or claim of lien and all reasonable attorneys' fees. The Association shall have the power to bid in the condominium unit at foreclosure sale and to acquire and hold, lease, mortgage and convey the same. The amount of the common expenses assessed against each condominium unit shall also be a personal obligation of the owner thereof. Suit to recover a money judgment for unpaid assessments, and any penalties thereon shall be maintainable without foreclosing or waiving the lien securing the same. Any mortgagee holding a lien on a condominium unit may pay any unpaid assessment payable with respect to such unit, and upon such payment the mortgagee shall have a lien on such unit for the amounts paid of the same priority as the lien of the mortgage or deed of trust.

5.4 Statement of assessments and liability of purchasers: Upon payment of a reasonable fee and upon the written request of any owner or of any mortgagee of a condominium unit, the Board of Managers, or the Manager, shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect to the subject unit, the amount of the current periodic assessment and the date that such assessment becomes due, any penalties due, and credit for advance payments or for prepaid items, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. The grantee or a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of the common expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid to the grantee therefor; provided, however, that upon payment of a reasonable fee and upon written request, any such prospective grantee shall be entitled to a statement from the Board of Managers, or the Manager, in the form as set forth above, which shall

be conclusive upon the Association. Unless such request for a statement or indebtedness shall be complied with within 15 days of such request, then such grantee shall not be liable for, nor shall the condominium unit conveyed be subject to a lien for, any unpaid assessments accruing prior to the date of such request.

6. Maintenance and alterations. Responsibility for the maintenance of the condominium property and restrictions upon the alteration thereof shall be as follows:

6.1 By the owner. The owner shall have the obligation to maintain and keep in good repair the interior surfaces of walls, ceilings and floors (including carpeting, tile, wallpaper, paint or other covering) internal installation repair and maintenance of the unit such as water, light, gas, power, sewer, telephone, air conditioning, garbage disposals, doors, windows, lamps and accessories, all limited common elements, as well as all fixtures and appliances, whether the same are common elements or not, located within such owner's unit. An owner shall not be responsible for repair occasioned by casualty as defined in Section 8 hereinafter, unless such casualty is due to the act or negligence of the owner, his guests, invitees or tenant. An owner shall reimburse the Association for any expenditure incurred for replacing or repairing of any common element and facility damaged through fault of an owner, his guests, invitees or tenants, and the Association shall be entitled to assess such owner for such amount which shall be due and payable, collectible and enforceable in the same manner as assessments pursuant to Sections 5.2 and 5.3 above. No owner shall alter any common elements without consent of the Association.

6.2 By the Association. The Association shall maintain and keep in good repair, as a common expense, all of the condominium property not required to be maintained and kept in good repair by an owner.

7. Insurance. Insurance which should be carried upon the condominium property shall be as follows:

7.1 Coverage. The Board of Managers shall obtain and pay the premium for, as a common expense, insurance on the condominium building in an amount equal to the maximum insurable replacement value thereof, affording protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and such other risks as may from time to time be customarily insured against with respect to buildings similar in construction, location and use as the condominium building, including by way of example vandalism and malicious mischief. The Board of Managers shall determine at least annually the replacement value of the condominium building and in so doing may employ such experts as the Board may feel necessary. The Board of Managers may also obtain and pay the premiums for, as a common expense, such additional insurance as they may deem necessary or desirable for public liability, workmen's compensation or other types of insurance.

7.2 Policies and certificates. The originals of all insurance policies shall be maintained and kept by the Board of Managers, or if under an insurance trustee agreement by the insurance trustee with certified copies thereof to kept by the Board of Managers. A certificate of coverage of insurance shall be furnished by the Board of Managers upon request to any owner or mortgagee of a condominium unit. The insurance shall be carried in blanket policy form naming the Association as insured, and indemnifying the interests of each condominium unit owner and providing for a standard, noncontributory mortgage clause in favor of each first mortgagee. It shall also provide that it cannot be canceled by either the insured or the insurance company until after ten days prior written notice to each owner and each first mortgagee.

8. Repair or reconstruction after casualty. Repair or reconstruction as used in this Section 8 means restoration of improvements to substantially the same condition which they existed prior to the damage or casualty, with each apartment unit and the common elements having the same horizontal and verticle boundaries as before.

8.1 Insurance proceeds sufficient to repair. In the event that proceeds from insurance coverage are sufficient to cover the cost of repair or reconstruction after a damage or destruction of the condominium property or any part thereof, then such repair or reconstruction shall be promptly performed by the Board of Managers, as attorney-in-fact for the owners pursuant to Section 8.4 hereinafter.

8.2 Insurance proceeds insufficient to repair. If insurance proceeds are insufficient to repair or reconstruct the damaged or destroyed condominium property the following provisions shall govern:

(a) Partial damage. For the purposes of this Section 8 total damage or total destruction is defined as such damage or destruction as to render, in the judgment of the Board of Managers of the Association, all of the units in the condominium building untenable. Any damage or destruction less than total destruction as so defined is partial damage for the purposes of this Section 8. A partial damage to the condominium property, whether insurance proceeds shall be sufficient to cover the same or not, shall be repaired as promptly as possible under the direction of the Board of Managers, and any cost of such repair or reconstruction in excess of insurance proceeds available shall be assessed against all owners of the condominium building as a common expense.

(b) Total destruction. In the event of total destruction of condominium building, as defined in subparagraph (a) above, and in the further event that insurance proceeds are estimated to be insufficient to repair and reconstruct the same, in the judgment of the Board of Managers, then the Board of Managers shall advise all owners of such decision which notice shall advise of a special meeting of owners, pursuant to the Articles of Incorporation and Bylaws of the Association, which meeting shall be held as soon as reasonably possible after the date of the destruction or damage for the purpose of determining whether or not the repair or reconstruction should be done. If 75% of the owners, plus all first mortgagees, shall agree to adopt a plan for reconstruction then all owners shall be bound by the terms and provisions of the plan. Any necessary assessment made in connection with the plan shall be a common expense and charged as an assessment to each owner during the course of reconstruction at the times deemed necessary or desirable by the Board of Managers. Any such assessment shall be an obligation of each owner and a lien on such owner's condominium unit and may be enforced and collected as common expenses.

If 75% of the owners or more, and all first mortgagees, fail to approve a plan for reconstruction, within six months from the date of the damage or destruction then the Board of Managers shall forthwith record a notice setting forth such fact and upon the recording of such notice the entire remaining premises of the condominium property

shall be sold by the Board of Managers, pursuant to the power-of-attorney herein fter set forth, free and clear of the of the provisions contained in this declaration and other condominium documents. In such case the insurance proceeds payable as a result of the damage or destruction, if any, shall be collected by the Board of Managers and, after payment of costs of collection thereof and of other outstanding obligations and charges owed by the Association or as a result of the damage or destruction as provided hereinafter, shall disburse the proceeds to the owners in accordance with the interest of each owner. Such proceeds as may be necessary to satisfy the mortgage of any first mortgagee on any condominium unit shall be advanced to the mortgagee in reduction of the interest of the owner for the unit so mortgaged.

8.3 Obsolescence. The owners representing an interest of 85% or more may agree that the condominium building is obsolete and adopt a plan for the reconstruction thereof, which plan must have the unanimous approval of all first mortgagees of record at the time of the adoption of the plan. If a plan for the renewal or reconstruction is adopted, notice of such plan shall be recorded, and the expense thereof shall be payable by all owners as common expenses; provided, however, that an owner dissenting from the plan of renewal or reconstruction may give written notice to the Board of Managers within 30 days after the adoption of such plan that such dissenting owner's unit shall be purchased by the Association for the fair market value thereof. The Association, through the Board of Managers, shall then have 30 days within which to cancel such plan. If the plan is not cancelled then the condominium unit of the dissenting owner shall be purchased according to the following procedures: If the owner and the Board of Managers can agree on the fair market value thereof then such sale shall consummate within 30 days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencement date" from which all periods of time mentioned herein shall be measured. Within ten days following the commencement date, each party shall nominate in writing (and give notice of such nomination to the other party) an appraiser who shall be a member of the American Institute of Real Estate Appraisers. If either party fails to make such a nomination, the appraiser nominated shall, within five days after default by the other party, appoint and associate with him another appraiser who shall also be a member of the American Institute of Real Estate Appraisers. If the two appraisers designated by the parties, or selected pursuant hereto in the event of the default of one party, are unable to agree, they shall appoint a third appraiser who also shall be a member of the American Institute of Real Estate Appraisers to be umpire between them, if they can agree on such person. If they are unable

to agree on such umpire, then each appraiser previously appointed shall nominate two persons, each of them shall be members of the American Institute of Real Estate Appraisers, and from the names of the four persons so nominated one shall be drawn at lot by any judge of any court of record in Colorado, and the name so drawn shall be the umpire. The nominations from whom the umpire is to be drawn by lot shall be submitted within ten days of the failure of the two appraisers to agree, which, in any event, should not be later than 20 days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, the decision of the umpire, shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the dissenting owner. The sale should be consummated within 15 days thereafter, and the Board of Managers shall disburse the proceeds in the following order: (i) payment of the balance of any first mortgage; (ii) payment of taxes and special assessments; (iii) payment of unpaid common expenses; (iv) payment of junior liens and encumbrances in order of and to the extent of priority and (v) balance remaining, if any, to the dissenting owner.

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

9. Reserved easements and rights.

9.1 Parking. The Association may adopt rules and regulations limiting the number and manner of use of parking spaces which may be used by any owner and his family, guests, employees or tenants.

9.2 Easements. The Declarant hereby reserves for himself, his heirs and assigns, an easement for ingress and egress for pedestrian and vehicular traffic over, upon and across the north 30 feet of the property and to, from, over, upon, across and through the parking structure to be located at the southern boundary of the property. Said easements shall provide ingress and egress to and from the property described in Exhibit C attached hereto, now owned by Declarant (hereinafter referred to as the "adjacent property"). The Declarant also reserves the right to create and deed easements on the property for the purpose of extending utilities to the adjacent property. Said easements shall be more particularly described on the Map.

9.3 Rights to Recreation Areas. The Declarant reserves to himself, his heirs and assigns, the right as owner of the adjacent property to use the recreation facilities which may be constructed on the property described on Exhibit A attached hereto on terms and conditions approved by the Association. It is contemplated that a condominium project will be developed on the adjacent property.

10. Right to supplement Project.

10.1 Declarant's right. Declarant reserves to himself, his heirs, and assigns, the right to enlarge this Project by submitting thereto the adjacent property. Such addition to this Project shall be expressed in and by a duly recorded Supplement to this Declaration and a Supplement to the Map. The condominium units submitted under this Declaration are referred hereinafter as the "Phase One Complex," and the condominium units to be subsequently submitted by Supplement are referred to hereinafter as the "Phase Two Complex."

10.2 Rights during construction. Declarant reserves to himself, his heirs and assigns, an easement over the property described on Exhibit A attached hereto for the construction of the Phase Two Complex and the construction of certain exterior improvements to be located on and about the Phase One Complex, such as, but not limited to, sidewalks, driveways and landscaping. There is also reserved to Declarant, his heirs and assigns, the right to alter the parking facilities located in the Phase One Complex, provided that such alteration does not result in a reduction in the amount of parking spaces available for the exclusive use of unit owners in the Phase One Complex.

10.3 Obligations of Declarant. Any construction and/or alteration performed pursuant to this Article 10 shall be at the sole expense of Declarant. Declarant expressly agrees that during the period of such construction and/or alteration, any disturbance or prevention of use of any general or limited common element in the Phase One Complex shall be kept at a minimum and within the limits of the time reasonably required to accomplish the same.

10.4 Separation of Complexes. The Supplement to this Declaration (submitting the Phase Two Complex hereto) shall provide for the division of the Phase Two Complex into condominium units similar to the division made of the Phase One Complex in this Declaration. The undivided interest in and to the general common elements appurtenant to each such unit in the Phase Two Complex shall not be a part of the general common elements of the condominium units in the Phase One Complex, nor shall the undivided interest in and to the general common elements appurtenant to each unit in the Phase One Complex be a part of the general common elements of the condominium units in the Phase Two Complex. Notwithstanding any provision to the contrary contained in this Declaration or the Bylaws of the Association, the undivided interests in the general common elements of the owners of condominium units in the Phase One Complex shall not be altered from that which is set forth in Exhibit B attached hereto.

10.5 Common Use of Certain Facilities. The owners of condominium units in the Phase One Complex shall not acquire any interest in and to the general common elements of the Phase Two Complex, except that they shall have a perpetual nonexclusive right, in common with all owners of condominium units within the entire project, to use those parts of the general common elements of the Phase Two Complex that are designated by the Association as being intended for the common use of all owners within the entire project. The owners of the condominium units in the Phase Two Complex shall not acquire any interest in and to the general common elements

of the Phase One Complex, except that they shall have a perpetual nonexclusive right, in common with all owners of condominium units within the entire project, to use those parts of the general common elements of the Phase One Complex that are designated by the Association as being intended for the common use of all owners within the entire project. All owners of condominium units within the entire project are hereby granted easements over and under the property described in Exhibits A and C attached hereto for ingress and egress to and from their respective condominium units and to and from their respective parking spaces as assigned by the Association.

10.6 Sharing of Certain Expenses. The expenses for maintenance, repairs and/or operation of those parts of the common elements and of those items and facilities that are designated by the Association as being intended for the common use of all owners within the entire Project shall be shared by all such owners proportionately in accordance with each owner's common expense percentage factor. Each owner's common expense factor shall be equal to one half (1/2) of such owner's appurtenant percentage interest in the general common elements of the particular Complex in which the owner's condominium unit is located, as assigned in Exhibit B attached to this Declaration (Phase One Complex) or as assigned in the duly recorded Supplement to this Declaration (Phase Two Complex). All other expenses for maintenance, repairs and/or operation of each Complex shall be paid by the owners of the condominium units in the Complex for which the expense was incurred, according to the percentage interest in the general common elements appurtenant to each condominium unit.

10.7 Membership in Association. Each owner within the Project shall be a member of the Association. Each owner shall be entitled to cast a vote at any Association membership meeting equal to the common expense percentage factor of such owners as determined in 10.6 above.

10.8 Insurance. The insurance coverage referred to in Article 7 shall be in the form of a single policy covering all of the improvements in the entire Project. In order to assess that portion of the premium attributable to each of the two separate Complexes, the Board of Managers shall request and obtain from the insurance agent or underwriter a written memorandum of premium cost which shall identify the premium cost to each separate Complex. The owners within each such separate Complex shall pay the premiums attributable to their separate Complex according to the percentage interest in the general common elements appurtenant to each condominium unit. If owners become entitled to receive insurance proceeds under Article 8, an owner shall be entitled to share (only) in the insurance settlement proceeds which are attributable to the Complex within which his condominium unit is located, and such share of said proceeds shall be based upon the percentage interest in and to the general common elements appurtenant to his condominium unit.

10.9 Binding Effect. No reference to any of the easements, rights, duties or obligations set forth in this Article 10 need be made in any deed, instrument of conveyance or other instrument, and all the provisions herein contained shall be binding upon each grantee or encumbrancer without the necessity of an express provision in the instrument of conveyance or encumbrance. In the event the right to supplement the Project granted in this Article 10 is exercised, the Board of Managers shall cause the Articles of Incorporation and Bylaws of the Association to be amended, if necessary, to conform with the provisions of this Article 10.

10.10 Nonapplication of Article 10. Until the right to supplement the Project granted in this Article 10 is exercised, this Declaration shall be construed and shall have the same effect as if this Article 10 were deleted from the Declaration.

11. Miscellaneous provisions.

11.1 Separate tax assessment. Declarant shall advise the assessor of Eagle County, Colorado of the creation of the condominium ownership of the condominium property, as is provided by law, so that each condominium unit shall be deemed a separate parcel of real property and subject to separate assessment and taxation.

11.2 References to ownership interest. Wherever in this Declaration or in the Articles of Incorporation or Bylaws of the Association reference is made to a specific percentage interest of owners such reference shall be deemed to mean the total aggregate ownership interests in the condominium property as reflected on Exhibit B attached hereto and shall not be deemed to mean a percentage of owners by number of individual persons, partnerships, corporations or other entities.

11.3 Compliance with Declaration. Each owner shall comply strictly with the provisions of this Declaration, the Articles of Incorporation, Bylaws, rules, regulations, resolutions and contracts of the Association as the same may from time to time be in force and effect. Failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief or both, maintainable by the Board of Managers, or the Manager, in behalf of the owners, or in a proper case, by an aggrieved owner.

11.4 Registration of addresses. Each owner shall register his mailing address with the Association, and all notices, demands and statements shall be sent by regular United States mail, postage prepaid, addressed in the name of the owner at such registered mailing address. All notices and demands intended to be served upon the Board of Managers of the Association shall be sent by regular United States mail, postage prepaid, to the following address:

Joseph L. Levin
Suite 311
3336 Richmond Avenue
Houston, Texas 77006

with a copy to:

James L. Cunningham
1900 First National Bank Building
Denver, Colorado 80202

until such address is changed by notice of address change given to the owners.

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

11.6 Amendment of Declaration. This Declaration may be amended by the vote of at least 75% of the total aggregate eligible votes of all owners; provided, however, that any such amendment shall have been approved in writing by all first mortgagees. No amendment shall be effective until placed of record in Eagle County, Colorado.

IN WITNESS WHEREOF, Declarant has executed this Declaration this 19th day of July, 1972.

/s/ Joseph L. Levin
JOSEPH L. LEVIN

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

The foregoing instrument was acknowledged before me this 19th day of July, 1972, by Joseph L. Levin.

WITNESS my hand and official seal.

My commission expires: 9-14-75

/s/ James L. Cunningham
Notary Public

[SEAL]

EXHIBIT A

VANTAGE POINT-VAIL CONDOMINIUMS

The following described real property situated in the County of Eagle, State of Colorado:

A parcel of land lying in Lot 2, Block 1, VAIL/LIONSHEAD, FIRST FILING, a subdivision in the Town of Vail, County of Eagle, Colorado, described as follows: Beginning at the Northwest Corner of said Lot 2, said point being on the South Right-of-Way line of Interstate Highway No. 70; thence Easterly along said Right-of-Way Line 150.16 feet along the arc of a 3,630.00 foot radius curve to the right whose central angle is $2^{\circ}21'26''$ and whose long chord bears N. $82^{\circ}50'19''$ E. 150.15 feet, to the Northeast Corner of said Lot 2; thence along the East line of said Lot 2, S. $4^{\circ}35'58''$ E., a distance of 235.41 feet to a point 40.00 feet from the Southeast corner of said Lot 2; thence parallel with the South line of said Lot 2, S. $85^{\circ}24'02''$ W., a distance of 150.00 feet, to a point on the West line of said Lot 2; thence along said West line, N. $4^{\circ}35'58''$ W., a distance of 228.70 feet. to the Point of Beginning.

TOGETHER with a non-exclusive Easement for the right of ingress and egress over Tract "E," Vail/LionsHead, First Filing, as more specifically referred to in Paragraph 2.2.5 of the Protective Covenants of Vail/LionsHead, First Filing recorded on May 18, 1970 in Book 217 at Page 675, as amended by instrument recorded on October 15, 1970 in Book 218 at Page 899, in the records of the Clerk and Recorder of Eagle County, Colorado.

EXHIBIT B

VANTAGE POINT-VAILE CONDOMINIUMS

<u>Condominium Unit No.</u>	<u>Percentage of Undivided Interest in Common Elements and Common Expense</u>
101	2.54
102	2.54
103	2.54
104	2.54
105	2.54
106	2.54
107	2.54
108	1.27
109	1.27
110	2.54
201	2.54
202	2.54
203	2.54
204	2.54
205	2.54
206	2.54
207	2.54
208	1.27
209	1.27
210	3.02
301	2.54
302	2.54
303	2.54
304	4.02
305	2.54
306	2.54
307	2.54
308	3.02
401	3.02
402	3.02
403	2.54
404	4.02
405	2.54
406	3.02
501	3.02
502	3.02
503	3.02
601	<u>4.30</u>
	100.00

EXHIBIT C

VANTAGE POINT-VAIL CONDOMINIUMS

The following described real property situated in the County of Eagle, State of Colorado:

A parcel of land lying in Lot 1, Block 1, VAIL/LIONSHEAD FIRST FILING, a subdivision in the Town of Vail, County of Eagle, Colorado, described as follows: Beginning at a point on the Westerly line of said Lot 1, which is 40.00 feet Northwesterly from the Southwest Corner thereof; thence continuing Northwesterly along the West line of said Lot 1, N. $4^{\circ}35'58''$ W., a distance of 215.67 feet to the Northwest Corner thereof, being a point on the South Right-of-Way line of Interstate Highway No. 70; thence Easterly along said Right-of-Way Line 151.57 feet along the arc of a 3,650.00 foot radius curve to the right, whose central angle is $2^{\circ}22'45''$ and whose long chord bears N. $80^{\circ}28'14''$ E. 151.56 feet, to the Northeast corner of said Lot 1; thence along the East line of said Lot 1, S. $4^{\circ}35'58''$ E., a distance of 228.70 feet, to a point 40.00 feet from the Southeast corner of said Lot 1; thence parallel with the South line of said Lot 1, S. $85^{\circ}24'02''$ W., a distance of 151.00 feet, to the Point of Beginning.