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Return to: Orten Cavanagh Richmond & Holmes, LLC  
1301 Washington Avenue, Suite 350  
Golden, Colorado 80401

STATE OF COLORADO  
CITY AND COUNTY OF DENVER

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## AMENDED AND RESTATED CONDOMINIUM DECLARATION FOR LONDON HOUSE CONDOMINIUMS

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AMENDED AND RESTATED CONDOMINIUM DECLARATION  
FOR  
LONDON HOUSE CONDOMINIUMS

This Condominium Declaration for London House Condominiums ("Declaration") is made effective upon recording

RECITALS

A. Condominium Specialists, Inc., a Colorado corporation, recorded a Condominium Declaration for London House Condominium on May 30, 1979, at Reception No. 035326, in Book 1924, Page 374, et seq., City and County of Denver Clerk and Recorder (hereinafter referred to as the "Original Declaration");

B. The Original Declaration has been amended by those amendments and supplements recorded in the office of the City and County of Denver County Clerk and Recorder, as follows:

<u>Recording Date</u>	<u>Reception No.</u>	<u>Book/Page</u>
July 13, 1979	058240	1959/572 <u>et seq</u>
March 3, 1983	076425	2759/155 <u>et seq</u>

C. Article XVIII, Section 18.1.2 of the Declaration provides that any amendment to the Declaration will require the prior written approval of Owners owning not less than 75% of the Condominium Units; provided however, C.R.S. § 38-33.3-217(1) (a) states that any provision in the Declaration that purports to specify a percentage larger than 67% is declared void as contrary to public policy, and until amended, such provision shall be deemed to specify a percentage of 67%.

D. Article XVIII, Section 18.1.2 of the Declaration also provides that any amendment to the Declaration will require the prior written approval of the First Mortgagees owning First Mortgages on not less than 75% of the mortgaged Condominium Units, except that amendments that alter the undivided interest in the Common Elements or that terminate the Condominium require consent of all First Mortgagees

D. This Declaration does not alter the undivided interest of the Units and does not terminate the Condominium

E. The purposes of amendments in this Amended and Restated Declaration include, but are not limited to the following: to update the Original Declaration to comply with current state law; to clarify the allocation of maintenance responsibilities and insurance between the Association and the Owners; to delete declarant rights and responsibilities that are no longer applicable; to remove unreasonable restrictions on the community, to update provisions so as to allow the Board of Directors to efficiently operate the Community and deal with Community concerns; to add provisions that provide tools for the Association to effectively solve problems and enforce the Declaration, Bylaws and Rules and Regulations

F. One of the goals of the Association is to preserve the value and desirability of the Condominium and the Units and to further the interests of the residents of the Condominium and Members of the Association;

G. Owners holding at least 67% of at the total Association vote desire to amend the Original Declaration and have approved this Amended and Restated Declaration (hereinafter referred to as the "Declaration") in writing and such Owners have determined this Declaration to be reasonable and not

burdensome and 75% of the first mortgage holders of the mortgaged Condominium Units have approved this Declaration by written consent or in accordance with the terms of C.R.S. §38-33 3-217(1)(b), or alternatively, a court order entered by the District Court for City and County of Denver, Colorado pursuant to C.R.S. §38-33 3-217(7), has been entered approving the Declaration;

NOW, THEREFORE, the Original Declaration is replaced by the covenants, servitudes, easements and restrictions set forth below:

ARTICLE 1  
NAME

The name of the condominium is London House Condominium (hereinafter sometimes called "London House" or the "Condominium," as further defined herein).

ARTICLE 2  
DEFINITIONS

Generally, terms used in this Declaration, the Bylaws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the Act or the Colorado Revised Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration, the Bylaws and the Articles of Incorporation shall be defined as follows:

(a) Act means the Colorado Common Interest Ownership Act, C.R.S. § 38-33 3-101, et seq., as such Act may be amended from time to time.

(b) Articles or Articles of Incorporation means the Articles of Incorporation of London House Condominium Association, filed with the Secretary of State of the State of Colorado.

(c) Association means London House Condominium Association, a Colorado nonprofit corporation, its successors or assigns.

(d) Board or Board of Directors means the body responsible for management and operation of the Association.

(e) Bylaws mean the Bylaws of London House Condominium Association.

(f) Common Elements mean those portions of the property subject to this Declaration, which are not included within the boundaries of a Unit, as more particularly described in this Declaration.

(g) Common Expenses mean the expenses incurred or anticipated to be incurred by the Association for the general benefit of the Condominium including, but not limited to, those expenses incurred for maintaining, repairing, replacing, and operating the Common Elements.

(h) Community-Wide Standard means the standard of conduct, maintenance, or other activity generally prevailing within the Condominium. Such standard may be more specifically determined by the Board of Directors.

(i) Condominium means all that property as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference that is submitted to the provisions of the Act by this Declaration.

(j) Governing Documents mean this Declaration and all exhibits hereto, the Association's Bylaws, and the Condominium Map, all as may be supplemented or amended from time to time.

(k) Electronic Record means information created, transmitted, received or stored by electronic means and retrievable in human perceivable form, such as email, web pages, electronic documents, and facsimile transmissions

(l) Eligible Mortgage Holder means a holder of a first Mortgage secured by a Unit in the Condominium who has requested in writing notice of certain items as set forth in this Declaration

(m) Limited Common Elements mean a portion of the Common Elements reserved for the exclusive use of those entitled to occupy one or more, but less than all, Units, as more particularly set forth in this Declaration

(n) Majority means those eligible votes, Owners, or other group as the context may indicate totaling more that 50% of the total eligible number

(o) Map means the Condominium Map of London House Condominium as recorded in the office of the Clerk and Recorder of the City and County of Denver, Colorado

(p) Mortgage means any mortgage, deed to secure debt, deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation including, but not limited to, a transfer or conveyance of fee title for such purpose.

(q) Mortgage or Mortgage Holder means the holder of any Mortgage

(r) Occupant means any Person staying overnight in a Unit for a total of more than 30 days, either consecutive or nonconsecutive, in any calendar year, regardless of whether such Person is a tenant or the Owner of such Unit.

(s) Owner shall mean the record titleholder of a Unit within the Condominium. but shall not include a Mortgage Holder For purposes hereof, the holder of a tax deed on a Unit shall be deemed the Owner thereof, notwithstanding the fact that there may exist a right of redemption on such Unit.

(t) Person means any individual, corporation, limited liability company, firm, association, partnership, trust, or other legal entity

(u) Unit means that portion of the Condominium intended for individual ownership and use as more particularly described in this Declaration and shall include the undivided ownership in the Common Elements assigned to the Unit by this Declaration

### ARTICLE 3 LOCATION, UNIT BOUNDARIES, COMMON AND LIMITED COMMON ELEMENTS

Section 3.1 Location The Condominium subject to this Declaration and the Act is located in City and County of Denver County, Colorado, as more particularly provided in Exhibit "A" to this Declaration The Map relating to the Condominium is in the records of the Clerk and Recorder of the City and County of Denver County, Colorado The Map is incorporated herein by reference as fully as if the same was set forth in their entirety herein

Section 3.2 Units and Boundaries The Condominium is divided into 65 separate Units, Common Elements and Limited Common Elements and their appurtenant percentage of undivided interest in the Common Elements Each Unit shall be conveyed as a separately designated and legally described freehold estate subject to the Act and the Governing Documents and any rules and regulations of the Association Each Unit includes that part of the structure, which lies within the following boundaries:

(a) Vertical Boundaries The vertical boundaries of each Unit shall be the vertical planes formed by the unfinished interior surfaces of the perimeter or vertical walls

(b) Horizontal Boundaries The horizontal boundaries of the Unit are the unfinished interior surfaces of the floors and ceilings

(c) Additional Information to Interpret Unit Boundaries All lath, furring, wallboard, plasterboard, plaster, paneling, tiles, surface texture, wallpaper, paint, finished flooring and any other materials constituting the finished surfaces are part of the Unit and all other portions of the floors, walls and ceilings are part of the Common Elements. Each Unit includes the spaces and improvements lying within the boundaries of the Unit, including windows, window frames, doors and door frames.

In interpreting deeds and the Map, the existing physical boundaries of a Unit as originally constructed or of a Unit reconstructed in substantial accordance with the original Map thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in any deed or the Map, regardless of settling or lateral movement of the building in which the Unit was located, and regardless of minor variance between the boundaries shown on the Map or in a deed and those of the Unit

The ownership of each Unit shall include, and there shall pass with each Unit, whether or not separately described in the conveyance thereof, that percentage of the right, title and interest in the Common Elements attributable to such Unit, together with membership in the Association and an undivided interest in the funds and assets held by the Association

Section 3.3 Common Elements The Common Elements consist of all portions of the Condominium not located within the boundaries of a Unit. Ownership of the Common Elements shall be owned by the Unit Owners as tenants-in-common. The percentage of undivided interest in and to the Common Elements attributable to each Unit is set forth in Exhibit "B" attached hereto and incorporated herein by this reference. The Common Elements shall remain undivided, and no Owner or any other person shall bring any action for partition or division of the whole or any part. Except as provided for Limited Common Elements or as otherwise provided herein, each Owner and the Association may use the Common Elements for the purposes for which they are intended, but no such use shall enter or encroach upon the lawful rights of the other Owners

Section 3.4 Limited Common Elements The Limited Common Elements located on the Condominium and the Unit(s) to which they are assigned are:

(a) The balconies appurtenant to each Unit are assigned as a Limited Common Element to the Unit served

(b) The fireplace adjacent to a Unit is assigned as a Limited Common Element to the Unit served.

(c) The heating equipment contained within a Unit is assigned as a Limited Common Element to the Unit served.

(d) The numbered parking space depicted on the Condominium Map shall be appurtenant to the Condominium Unit whose number coincides with the number used on the Condominium Map to identify the particular parking space. All numbered parking spaces are assigned as Limited Common Elements. The exclusive right to use each numbered parking space shall not be separated from the particular Condominium Unit to which it is appurtenant, and any contract, deed, lease, assignment, mortgage, deed of trust or other instrument to convey, lease, assign, encumber or otherwise affect a Condominium Unit shall similarly affect the exclusive right to use the parking space appurtenant to it

A Common Element not previously assigned as a Limited Common Element may be so assigned and a Limited Common Element may be reassigned by the Board, without the need for a vote of the

Association, upon written application to the Association by the Unit Owner or Owners for whose exclusive use such Common Element is requested or whose use of the Limited Common Element previously assigned is directly affected. Upon such application, the Association shall prepare and execute an amendment to the Declaration assigning the Common Element as a Limited Common Element or reassigning the Limited Common Element, which amendment shall be executed by the Owner or Owners making such application.

ARTICLE 4  
ASSOCIATION MEMBERSHIP, ALLOCATION OF VOTES, AND  
ALLOCATION OF LIABILITY FOR COMMON EXPENSES.

Section 4.1 Membership All Unit Owners, by virtue of their ownership of a fee or undivided fee interest in any Unit in the Condominium, are members of the London House Condominium Association. Membership is not intended to include Persons who hold an interest merely as security for the performance of an obligation, but the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one membership per Unit owned.

Section 4.2 Voting The Owner or collective Owners of a Unit shall be entitled to one equally weighted vote for such Unit. When more than one Person holds an ownership interest in any Unit, the vote for such Unit shall be exercised as those Owners determine among themselves, otherwise the Unit's vote shall be suspended if more than one Person seeks to exercise it.

Section 4.3 Allocation of Liability for Common Expenses

(a) General Allocations Except as provided below or elsewhere in the Governing Documents, the amount of all Common Expenses shall be assessed in accordance with the percentage of undivided interest in the Common Elements appurtenant to the Unit as set forth in Exhibit "B" attached hereto and incorporated herein by this reference.

(b) Specific Special Assessments Notwithstanding the above, the Board of Directors shall have the power to levy specific special assessments against Units pursuant to this Declaration and this Section as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to do so shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future.

(i) Any Common Expenses benefiting less than all of the Units or significantly disproportionately benefiting all Units may be specifically specially assessed equitably among all of the Units that are benefited according to the benefit received. Expenses incurred for the maintenance, repair or replacement of the Common Elements shall not be specifically specially assessed, except as provided in Subsection (b) (ii) below.

(ii) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Units or by the Occupant(s), licensees or invitees of any such Unit or Units may be specifically specially assessed against such Unit or Units.

For purposes of this Section, nonuse shall constitute a benefit to less than all Units or a significant disproportionate benefit among all Units only when such nonuse results in an identifiable, calculable reduction in cost to the Association.

Section 4.4 Allocation of Interests in the Common Elements The percentage of ownership interest in the Common Elements shall be divided between the Units as described in Exhibit "B", attached hereto and incorporated herein by reference.

ARTICLE 5  
ASSESSMENTS

Section 5.1 Purpose of Assessment The Association shall have the power to levy assessments as provided herein. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Units in the Condominium as may be more specifically authorized from time to time by the Board.

Section 5.2 Creation of the Lien and Personal Obligation For Assessments Each Owner of any Unit, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (i) annual assessments or charges; (ii) special assessments; (iii) specific special assessments against any particular Unit which are established pursuant to the terms of this Declaration, including but not limited to reasonable fines imposed in accordance with the terms of this Declaration.

All such assessments, together with charges, interest, costs, and reasonable attorney's fees actually incurred (including post-judgment attorney fees, costs and expenses), and if the Board so elects, rents, in the maximum amount permitted by law, shall be a charge on the Unit and shall be a continuing lien upon the Unit against which each assessment is made. Such amounts shall also be the personal obligation of the Person who was the Owner of such Unit at the time when the assessment fell due. The Association shall have authority to record a notice of such lien in the City and County of Denver, Colorado real property records evidencing the lien created under this Declaration. The lien of the Association under this Article is not subject to the provision of any homestead exemption as allowed under state or federal law. The lien provided for herein shall have the priority as set forth in the Act.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. Unless otherwise provided by Board resolution, the annual assessments shall be paid in equal monthly installments due on the first day of each calendar month. No Owner may exempt him or herself from liability for or otherwise withhold payment of assessments for any reason whatsoever, including, but not limited to, nonuse of the Common Elements, the Association's failure to provide services or perform its obligations required hereunder, or inconvenience or discomfort arising from the Association's performance of its duties.

Section 5.3 Delinquent Assessments All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) If the annual assessment, any part or installment thereof or any other fine, special assessment or charge is not paid in full within 15 days of the due date, or such later date as may be provided by the Board:

(i) a late charge in an amount determined by the Board and set forth in the Association's collection policy may be imposed without further notice or warning to the delinquent Owner;

(ii) interest at the rate determined by the Board and set forth in the Association's collection policy, not to exceed the maximum amount permitted by Colorado law may be imposed without further notice or warning to the delinquent Owner; and

(iii) upon 30 days written notice to the Owner, the Board may accelerate and declare immediately due all of that Owner's unpaid installments. Upon acceleration, that Owner shall thereby lose the privilege of paying any and all assessments and charges in installments for that fiscal year, unless such privilege is otherwise reinstated in the Board's sole discretion.

(b) If assessments, fines or other charges, or any part thereof, remain unpaid more than 30 days after the assessment payments first become delinquent, the Owner's right to vote and right to use the recreational facilities shall be automatically suspended until all amounts owed are paid in full, and the

Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the Bylaws, and Colorado law, including reasonable attorney's fees actually incurred. Enforcement under this Section is not dependent upon or related to other restrictions and/or other actions.

(c) If part payment of assessments or other charges is made, the amount received may be applied first to post-judgment attorney's fees, costs and expenses, then to costs and attorney's fees not reduced to a judgment, then to interest, then to late charges, then to fines and other charges permitted under this Declaration, then to delinquent assessments and then to current assessments.

Section 5.4 Computation of Budget and Assessment. Prior to the beginning of each fiscal year, the Board shall prepare a budget covering the estimated costs of operating the Condominium during the coming year, including an annual reserve contribution for replacement of improvements that are the Association's responsibility. Based on the budget, the Board shall establish the annual assessment or installments for the coming year. The budget shall not operate as a limitation on expenditures by the Board, but, rather, the budget is an estimate of Common Expenses on which the Board may base the annual assessments. Notice of the annual assessment and installments thereof shall be provided in writing to Owners at least 30 days prior to the due date.

Section 5.5 Special Assessments. In addition to the annual assessment provided for above, the Board may, at any time, and in addition to any other rights it may have, propose a special assessment against all Owners, payable over such period as the Association may determine. Notice in writing of the amount of such special assessment and the time for payment shall be given to the Owners and no payment shall be due less than 30 days after such notice is mailed to the Owner. Specific special assessments may be levied in accordance with the terms of Section 4.3(b) of this Declaration.

Section 5.6 Statement of Account. The Association shall furnish to an Owner or the Owner's designee or to a holder of a security interest or its designee a statement setting forth the amount of unpaid Assessments then levied against the Condominium Unit in which the Owner, designee or holder of a security interest has an interest. The Association shall deliver the statement personally or by certified mail, first class postage prepaid, return receipt requested to the inquiring party within 14 calendar days after the registered agent of the Association receives the request by personal delivery or by certified mail, first class postage prepaid, return receipt requested. The information contained in such statement, when signed by the Treasurer of the Association, or Manager, if any, shall be binding upon the Association, the Board, and every Owner as to the person or persons to whom such statement is issued and who rely on it in good faith. The Board may establish a reasonable fee relating to such statement.

Section 5.7 Surplus Funds and Common Profits. Common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, be: (1) added to the Association's capital reserve account; (2) distributed to the Owners; or (3) credited to the next assessment chargeable to the Owners in proportion to the liability for Common Expenses attributable to each Unit.

Section 5.8 Borrowing. The Association shall have the power to borrow money and assign future income, including the right to assign its right to receive Common Expense assessments, but only upon the affirmative vote of a majority of the Association vote present and exercised, in person or by proxy at a duly constituted meeting called for that purpose, or by ballot in lieu of a meeting as provided for in the Bylaws.

## ARTICLE 6 MAINTENANCE RESPONSIBILITY

Section 6.1 By the Owner. Each Owner shall have the obligation to maintain and keep in good repair all portions of his or her Unit and all improvements made by the Owner to the Limited Common Elements assigned to the Unit, except any portion of a Unit which is expressly made the maintenance

obligation of the Association as set forth in Section 6.2 below. This maintenance responsibility shall include, but not be limited to the following:

(a) the materials making up the finished surfaces of the walls, floors and ceilings, including, but not limited to plaster, dry-wall, paneling, wall paper, paint, wall and floor tile, carpet and flooring (but not including the sub-flooring in the lowermost floor of the Unit)

(b) all glass surfaces;

(c) windows, window frames (except for periodic painting, staining and/or cleaning of the exterior window frames), casings and locks (including caulking of windows) and screens;

(d) all doors, doorways, door frames, and hardware that are part of the entry system of the Unit (except for periodic painting, staining and/or cleaning of the exterior surface of entry doors and door frames), and door knockers and peepholes in such doors;

(e) all pipes, lines, ducts, conduits, or other apparatus which serve only the Unit from the point where such lines enter the Unit (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Unit);

(f) any fireplace that serves only the Unit;

(g) All communications, television, telephone, cable and electrical lines, receptacles and boxes serving only the Unit, whether located within or outside the boundaries of the Unit;

(h) any light bulbs in the balcony patio area;

(i) any utility meter or breaker box serving only the Unit, whether located within or outside the boundaries of the Unit;

(j) any balcony enclosure and the interior of enclosed balcony area. (The Association shall not be responsible for water flowing from another balcony and causing damage to the interior of an enclosed balcony area since the balconies are designed to shed water ); and

(k) any other approved alterations

In addition, each Unit Owner shall have the responsibility:

(a) To keep in a neat, clean and sanitary condition any Limited Common Elements serving his or her Unit, including keeping the balcony appurtenant to the Unit free and clear of snow, ice, and any accumulation of water or other debris

(b) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Units

(c) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible

If due to the act or neglect of an Owner, whether or not such act or negligent is willful or negligent, loss or damage is caused to any person or property, including the Common Elements, the Limited Common Elements and the Units, such Owner shall be liable and responsible for same, except to the extent such damage or loss is covered by the Association's insurance and the carrier waives subrogation rights against such Owner. The amount of the loss or damage may be collected as a specific assessment as provided in Article 4, Section 4.3 and Article 5 of this Declaration

Subject to the maintenance responsibilities described herein, any maintenance or repair performed on or to the Common Elements by an Owner or Occupant which is the responsibility of the Association hereunder (including, but not limited to landscaping of Common Elements) shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair

Section 6.2 By the Association The Association shall maintain and keep in good repair as a Common Expense all Common Elements, including any Limited Common Elements, but excluding any improvements made to such Limited Common Elements; provided, however, the Association may levy the cost of the following to the Owner served by the Limited Common Element:

- (a) Cleaning of chimneys and other maintenance and repair of the chimney stacks or flues
- (b) Maintenance, repair or replacement of any pipes, lines, ducts, conduits, or other apparatus which serve only one Unit that are located outside the boundaries of the Unit (including all electricity, water, or sewer pipes, lines, ducts, conduits, or other apparatus serving only the Unit)

The foregoing maintenance shall be performed consistent with the Community-Wide Standard

If, during the course of performing its maintenance responsibilities hereunder, the Association discovers that maintenance, repair or replacement is required of an item which is the Owner's responsibility, and such maintenance, repair or replacement must be performed for the Association to properly complete its maintenance project, then the Association may perform such work on behalf of the Owner and at the Owner's sole expense, without prior notice to the Owner, such being deemed an emergency situation hereunder

If the Board determines that the need for maintenance or repair of the Common Elements is caused through the willful or negligent act of any Owner, or Occupant or their family, guests, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the Owner's or Occupant's Unit, and such cost shall become the personal obligation of the Owner, a lien against the Unit, and shall be collected as provided herein for the collection of assessments.

The Association shall repair incidental damage to any Unit resulting from performance of work that is the responsibility of the Association. As finish levels can have varying degrees, such repairs will be complete only to the extent of being "paint-ready." Such repair and subsequent cleaning shall be performed based on a reasonableness standard. In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Unit, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Elements or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder, except for injuries or damages arising after the Owner of a Unit has put the Association on notice of a specific leak or flow from any portion of the Common Elements and the Association has failed to exercise due care to correct the leak or flow within a reasonable time thereafter. The Association shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

Section 6.3 Measures Related to Insurance Coverage

(a) The Board of Directors, upon resolution, shall have the authority to require all or any Unit Owner(s) to do any act or perform any work involving portions of the Condominium which are the maintenance responsibility of the Unit Owner, which will, in the Board's sole discretion, decrease the possibility of fire or other damage in the Condominium, reduce the insurance premium paid by the Association for any insurance coverage or otherwise assist the Board in procuring or maintaining such insurance coverage. This authority shall include such measures as the Board may reasonably require so long as the cost of such work does not exceed three times the monthly assessment per Unit in any 12 month period.

(b) In addition to, and not in limitation of, any other rights the Association may have, if any Unit Owner does not comply with any requirement made by the Board of Directors pursuant to subsection 6.3(a), the Association, upon 15 days written notice (during which period the Unit Owner may perform the required act or work without further liability), may perform such required act or work at the Unit Owner's sole cost. Such cost shall be added to and become a part of the assessment to which the Owner is subject, the personal obligation of the Owner and a lien against the Unit, to be collected as provided herein for the collection of assessments. The Association shall have all rights necessary to implement the requirements mandated by the Board pursuant to subsection 6.3(a), including, but not limited to, a right of entry during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit, except that access may be had at any time without notice in an emergency situation.

Section 6.4 Mold and/or Mildew Mold and/or mildew can grow in any portion of the Condominium that is exposed to a regular source of moisture. Therefore, the Association and the Unit Owners agree to: (a) promptly investigate to determine the source of the problem and the extent of the condition upon the discovery of any water leaks; (b) repair any such leaks in their respective areas of maintenance responsibility in a good and workmanlike condition; (c) ensure that any building material which has absorbed water or moisture as a result of a water leak and has not been completely dried as part of the repair of the water or moisture damage is removed and replaced; and (d) clean any area where mold and/or mildew appears with industry-accepted products designed to inhibit the growth of mold and/or mildew.

Section 6.5 Inspection, Maintenance, Repair and Replacement of High-Risk Components. The Board may, from time to time, after notice to all Owners and an opportunity for Members' comment, determine that certain portions of the Units required to be maintained by the Owners, or certain objects or appliances within the Unit, pose a particular risk of damage to other Units and/or the Common Elements if they are not properly inspected, maintained, repaired or replaced. By way of example, but not limitation, these portions, objects or appliances might include wax rings on toilets and smoke detectors. Those items determined by the Board to pose such a particular risk are referred to herein as "High-Risk Components."

At the same time that it designates a High-Risk Component, or at a later time, the Board may require one or more of the following with regard to the High-Risk Component: (a) that it be inspected at specified intervals by a representative of the Association or by an inspector(s) designated by the Board; (b) that it be replaced or repaired at specified intervals, or with reference to manufacturers' warranties, whether or not the individual component is deteriorated or defective; (c) that it be replaced or repaired with items or components meeting particular standards or specifications established by the Board; (d) that when it is repaired or replaced, the installation include additional components or installments specified by the Board; (e) that it be replaced or repaired by contractors having particular licenses, training or professional certification or by contractors approved by the Board; and (f) if the replacement or repair is completed by an Owner, that it be inspected by a person designated by the Board.

The imposition of requirements by the Board in this provision shall not relieve an Owner of his or her obligations regarding High-Risk Components, including, but not limited to, the obligation to perform and pay for all maintenance, repairs and replacement thereof. If any Owner fails or refuses to maintain, repair or replace a High-Risk Component in accordance with the requirements established by the Board hereunder, the Association may, in addition to all other rights and powers granted to it pursuant to the

Governing Documents enter the Unit for the purpose of inspecting, repairing, maintaining, or replacing the High-Risk Component, as the case may be, and charge all costs of doing so back to the Owner as a specific special assessment

Section 6.6 Failure to Maintain If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten days. If the Board determines that: (a) an emergency exists or (b) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair, or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be the personal obligation of the Owner and a lien against the Unit, and shall be collected as provided herein for the collection of assessments

Section 6.7 Mechanics Liens No labor performed and/or materials furnished for use and incorporated into any Unit with the consent of or at the request of the Unit Owner or the Owner's agent, contractor, or subcontractor shall be the basis for filing a lien against the Unit of any other Unit Owner not expressly consenting to or representing the same, or against any interest in the Common Elements. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against any liability or loss arising from the claim of any mechanic's lien against the Unit of any other Owner or against the Common Elements, or any portion thereof, for labor performed and/or materials furnished in work on the first Owner's Unit. The Association may pay any sums necessary to eliminate any lien filed against Units or the Common Elements not benefiting from the labor and/or materials and all sums paid including all costs and reasonable attorneys' fees shall be a specific assessment against the Owner or Owners for whom the labor and/or materials were furnished.

Section 6.8 Maintenance Standards and Interpretation The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board to another term of the Board. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Article. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

## ARTICLE 7 ARCHITECTURAL CONTROLS

Section 7.1 Authority of Board The Board shall have the authority to select and employ professional consultants to assist it in discharging its duties, the cost of such consultants to be paid by the Owner of any Unit for which plans and specifications have been submitted for approval. The Owner of any such Unit shall be responsible for paying the full cost of each review, whether or not submitted plans and specifications are approved by the Board, and the Board may require payment of all such costs prior to approval of plans and specifications. The Board also may charge reasonable fees to cover the cost of review or inspections performed hereunder, and any such fees shall be published in the design standards.

Section 7.2 Architectural Standards Except as otherwise provided herein, no Owner, Occupant, or any other person may, without first obtaining written approval of the Board shall:

- (a) make any encroachment onto the Common Elements or Limited Common Elements;

(b) make any exterior change, alteration, or construction; and

(c) except as provided for herein or by Colorado law, erect, place or post any object, sign, clothesline, speaker, light, storm door or window, fountain, flag, personalized or customized exterior door mat, or thing on the exterior of the building, in any windows (other than appropriate window treatments as provided herein), or on any Limited Common Elements

Section 7.3 Alteration of Units There shall be no relocation of Unit boundaries or subdivision of Units. Subject to the other provisions of the Act and this Declaration, alterations to the interiors of Units are subject to the following restrictions:

(a) Changes Affecting Common Elements and Load Bearing Portions of Unit Except as provided herein, no Owner or Occupant may make any alteration within a Unit which involves connecting to Common Element pipes, lines, conduits and/or other apparatus for access to common utilities without prior written Board approval. Except as provided herein, no Owner or Occupant shall make any interior modifications to or place an excessive load on any structural or load bearing portions of a Unit without first obtaining the prior written Board approval. Such approval shall not be granted unless the Owner has presented to the Board a report or drawing prepared by a licensed structural engineer showing that compensating measures will be taken to ensure the structural integrity of the Unit and the Condominium. All building code requirements must be complied with and necessary permits and approvals secured for any modifications. Notwithstanding the above, all Owners desiring to make any interior modifications or alterations to a Unit affecting the Common Elements or structure or load bearing portions of a Unit must make application to the Board as described below in order for the Board to make the determination of whether its approval is required.

(b) Replacing Carpet with Tile or Hardwood Floors No Owner, Occupant, or any other person may replace carpeting with a tile, marble, vinyl, hardwood floor, or other hard surfaced flooring material, on the interior floor of a Unit which is located immediately above another Unit without first obtaining written approval of the Board. Among other factors, the Board may consider whether the change will cause noise to any Unit below which will exceed the average noise level in Units below Units with carpeted floors and that the weight of such proposed flooring is appropriate and will not cause problems to the structure or sub flooring.

The Owner applying for such approval shall provide the Board with information regarding these factors, as well as other information requested by the Board regarding the proposed flooring and its effect; provided, however, the noise level requirements shall be considered to be met if the Owner provides a sound transmission test that the proposed flooring will create a noise level less than a standard level set by reasonable regulation of the Board. Notwithstanding anything to the contrary stated herein, at least 100% of each room within a Unit located above another Unit (excluding the kitchen and bathrooms) shall have area rugs or carpet unless the flooring is sound proofed so as not to exceed the noise level in Units with carpeted floors.

(c) Adjoining Units If any Owner acquires an adjoining Unit, such Owner shall have the right (subject to the prior written approval of the Mortgagees of the Units involved) to remove all or any part of any intervening partition or to create doorways or other apertures therein, notwithstanding the fact that such partition may, in whole or part, be part of the Common Elements, so long as no portion of any structural or load bearing portions of the Unit(s) are materially weakened or removed and the Board has approved the plans described above and no portion of any Common Elements is damaged, destroyed or endangered, other than that partition and any chutes, flues, ducts, conduits, wires or other apparatus contained therein which shall be relocated by such Owner if such facilities serve any other part of the Condominium. The alterations permitted in this Section shall not be deemed an alteration or relocation of boundaries between adjoining Units.

Section 7.4 Required Action by the Board Applications for approval of any such architectural modification shall be in writing and shall provide such information as the Board may reasonably require. The Board shall be the sole arbiter of such application and may withhold approval for any reason, including

purely aesthetic considerations; provided no decision of the Board shall be arbitrary or capricious. The Association, acting through the Board, shall be entitled to stop any construction that does not conform to the approved plans

The standard for approval of such improvements shall include, but not be limited to: (1) aesthetic consideration, (2) materials to be used, (3) compliance with the Community-Wide Standard, this Declaration, or the design standards which may be adopted by the Board, if any, (4) harmony with the external design of the existing building, Units and structures, and the location in relation to surrounding structures and topography, and (5) any other matter deemed to be relevant or appropriate by the Board.

If the Board fails to approve or to disapprove such application within 45 days after the application and all information as the Board may reasonably require have been submitted, then the Owner submitting the application may issue written notice, via certified mail, to the Association President, informing the President of the Owner's intent to proceed with the modification as identified in the application. Unless the Association issues a written disapproval of the application within ten days of receipt of the Owner's notice, the approval will not be required and this Section will be deemed complied with as to the items specifically identified in the application; provided, however, even if the requirements of this Section are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the Bylaws, or the rules and regulations of the Association or of any applicable zoning or other laws

Section 7.5 Encroachments onto Common Elements The Board may permit Unit Owners to make encroachments onto the Common Elements as it deems acceptable. Such permission or approval, if granted, shall be provided in writing to the Owner. If any Owner or Occupant makes any other exterior change, alteration, or construction (including landscaping) upon the Common Elements or Limited Common Elements without permission or approval as described in this Article, he or she does so at his or her sole risk and expense. The Board may require that such unapproved change, alteration or construction be removed or that it remain on the Common Elements or Limited Common Elements without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction

Section 7.6 Condition of Approval As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance of such change, modification, addition, or alteration, unless otherwise agreed to in writing by the Board. It is the responsibility of every Unit Owner to determine for himself or herself what architectural modifications have been made to his or her Unit by any predecessor-in-interest. In the discretion of the Board, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest

Section 7.7 Limitation of Liability Review and approval of any application pursuant to this Article may be made on any basis, including solely the basis of aesthetic considerations, and the Board of Directors shall not bear any responsibility for ensuring the design, quality, structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes, zoning regulations, and other governmental requirements. Neither the Association, the Board of Directors, nor member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner, design, or quality of approved construction or modifications to any Unit, nor may any action be brought against the Association, the Board of Directors, or any member thereof, for any such injury, damage or loss

Section 7.8 No Waiver of Future Approvals Each Owner acknowledges that the members of the Board of Directors will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. Each Owner further acknowledges that the Board of Directors may adopt different architectural standards for different parts of the Condominium, based on street visibility and location of the proposed modification in the building. The approval of the Board of Directors of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with

any other matter requiring the approval and consent of the Board of Directors, shall not constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent

Section 7.9 Commencement of Construction All changes, modifications and improvements approved by the Board hereunder must be commenced within six months from the date of approval. If not commenced within such time, then such approval shall be deemed revoked, unless the Board gives a written extension for commencing the work. All work approved by the Board hereunder shall be completed in its entirety within 90 days from the date of commencement, unless otherwise agreed in writing by the Board. All approved changes, modifications, and improvements must be completed in their entirety. An Owner may not construct only a portion or part of an approved change, modification, or improvement.

## ARTICLE 8 USE RESTRICTIONS

Each Owner of a Unit shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of the Governing Documents and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Governing Documents, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Occupants.

In addition to the following use restrictions, the Board of Directors may adopt rules and regulations in accordance with the terms hereof and as specified in the Bylaws.

### Section 8.1 Use of Units

(a) Residential /Business Use. Each Unit shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Unit or any part of the Condominium, except that the Owner or Occupant residing in a Unit may conduct ancillary business activities within the Unit so long as:

- (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside of the Unit;
- (ii) the business activity does not involve visitation of the Unit by employees, clients, customers, suppliers or other business invitees in greater volume than would normally be expected for guest visitation to a residential Unit without business activity;
- (iii) the business activity is legal and conforms to all zoning requirements for the Condominium;
- (iv) the business activity does not increase traffic in the Condominium in excess of what would normally be expected for residential Units in the Condominium without business activity (other than by a reasonable number of deliveries by couriers, express mail carriers, parcel delivery services and other such similar delivery services);
- (v) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the Association's ability to obtain insurance coverage;
- (vi) the business activity is consistent with the residential character of the Condominium and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Condominium, as determined in the Board's discretion; and

(vii) the business activity does not result in a materially greater use of Common Element facilities or Association services

The terms "business" and "trade," as used herein, shall have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor

(b) Occupancy. If an Owner of a Unit is a corporation, partnership, trust or other legal entity not being a natural person, the entity shall designate in writing to the Board the name(s) of the person(s) who will occupy the Unit. The designated person(s) to occupy the Unit may not be changed more frequently than once every six months without the express written consent of the Board as determined in the Board's sole discretion.

Section 8.2 Use of Common Elements. There shall be no obstruction of the Common Elements, nor shall anything be kept, parked, or stored on or removed from any part of the Common Elements without the prior written consent of the Board, except as specifically provided herein. The Association shall not be liable to the Owner of any Unit or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements (including the Limited Common Elements)

With prior written Board approval, and subject to any restrictions imposed by the Board, Owner(s) and/or Occupant(s) may reserve the clubroom for use for a period of time as set by the Board. Any such Owner(s) and/or Occupant(s) who reserve the clubroom as provided herein shall assume, on behalf of himself/herself/themselves and his/her/their Occupants, guests and family, all risks associated with the use of the clubroom and all liability for any damages or injury to any person or thing as a result of such use. The Association shall not be liable for any damage or injury resulting from such use unless such damage or injury is caused solely by the willful acts or gross negligence of the Association, its agents or employees.

Section 8.3 Use of Limited Common Elements and Balconies. Except as otherwise provided herein, the use of the Limited Common Elements assigned to the Units is restricted exclusively to the Owners of the Unit to which such Limited Common Elements are assigned and said Owner's Occupants, guests, family members and invitees. The Limited Common Elements are reserved for exclusive use, but shall not be construed or interpreted to be separate and apart from the Common Elements in general, and the restrictions applicable to the Common Elements shall also apply to the Limited Common Elements

Objects visible above the balcony edge must be kept in a clean, neat and presentable manner. No laundry garments and objects other than potted plants and patio furniture, except as may be authorized by the Board, shall not be placed on a patio. Objects shall not be permitted to hang over or be attached to any balcony railing or otherwise protrude outside the vertical plane formed by the exterior surface of the balcony railing. Penetration of the surface of the balcony is prohibited. All objects placed on a balcony are done so at the sole risk of the homeowner. The homeowner is liable for any object that falls from their balcony and shall indemnify the Association for any claims related to objects falling from the balcony

Section 8.4 Prohibition of Damage, Nuisance and Noise. Without the prior written consent of the Board of Directors, nothing shall be done or kept on the Condominium, or any part thereof, that would increase the rate of insurance on the Condominium or any Unit or part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expenses

The Units in the Condominium are built in close proximity to one another, resulting in the sharing of common walls, floors and ceilings. As a result, noise and vibration may be detectable between Units or between Units and the Common Elements. Therefore, an Owner or Occupant shall not conduct activities

within a Unit or use a Unit in a manner that interferes with or causes disruption to the use and quiet enjoyment of another Unit by its respective Owner and Occupant.

Furthermore, noxious, destructive, offensive or unsanitary activity shall not be carried on upon any portion of the Condominium. No Owner or Occupant may use or allow the use of the Unit or any portion of the Condominium at any time, in any way, which may endanger the health or property of other Occupants, unreasonably annoy, disturb or cause embarrassment or discomfort to other Owners or Occupants, or, in the Board's discretion, constitute a nuisance. The intention of this provision is to grant the Association and aggrieved Owners and Occupants a right of redress for actions, activities or conduct which unreasonably disturbs or impairs the peaceful and safe enjoyment of the Condominium. In this regard, specific unauthorized and unreasonable annoyances or disturbances shall include, but not be limited to, the following:

(a) any fighting, screaming, shouting, excessively loud talking, whistling, or playing of music or television, raucous behavior or insobriety either outside of a Unit at any time or within a Unit if such conduct can be heard in the normal course of activities in any other Unit(s);

(b) the use of any alarm, equipment, or device, mechanical or otherwise, which creates or produces excessively loud sounds or any vibrations either outside of a Unit at any time or within a Unit if such sounds can be heard or vibrations felt in the normal course of activities in any other Unit(s);

(c) any threatening or intimidating conduct towards any resident, guest or pet at the Condominium;

(d) any conduct which, in the Board's reasonable discretion, creates any danger or risk of injury to others or damage to property at the Condominium or which creates any threat to health or safety of any other resident or pet;

(e) any excessively loud play activities either outside of a Unit at any time or within a Unit if such conduct can be heard in the normal course of activities in any other Unit(s);

(f) any conduct which creates any noxious or offensive odor either outside of a Unit at any time or within a Unit if such odors can be detected in the normal course of activities in any other Unit(s);

(g) any incessant or excessive pet noises, including dog barking, if such conduct can be heard in the normal course of activities in any other Unit(s);

(h) any construction or similar activities in a Unit that can be heard in other Units between the hours of 8:00 p.m. and 8:00 a.m. Monday through Friday and before 10:00 a.m. and after 6:00 p.m. on Saturday and Sunday

(i) Any similar action or activity outside of a Unit on the Condominium, or which occurs inside a Unit but which interferes with the peaceful use and enjoyment of other Units or the Common Elements by any other Owner, members of his or her family, guests, invitees, or Occupants of his or her Unit

However, nothing herein shall be construed to affect the rights of an aggrieved Owner or Occupant to proceed individually against a violator hereof for relief from interference with his or her property or personal rights, and the Board may, in its discretion, require aggrieved individuals to seek redress personally for interference with their personal property rights before the Association intervenes and commences enforcement action hereunder. No claim for any loss, damage or otherwise shall exist by an aggrieved Owner or Occupant against the Association for failure to enforce the provisions hereof if the aggrieved Owner or Occupant has not personally pursued all available remedies against the violator for redress provided under Colorado law.

No Unit Owner or Occupant may use or allow the use of the Unit or the Common Elements in any manner which creates noise between the hours of 10:00 p.m. and 8:00 a.m. which can be heard by persons in another Unit that will, in the Board's sole discretion, unreasonably interfere with the rights, comfort or convenience of any other Owner, members of his or her family, guests, invitees, or Occupants of his or her Unit.

No Owner, Occupant or agent of such Owner or Occupant shall do any work which, in the Board's reasonable opinion, would jeopardize the soundness or safety of the Condominium or any structure thereon, would reduce the value thereof, or would impair any easement or other interest in the Condominium, without prior written consent of all Association members and their Mortgagees.

No damage to or waste of the Common Elements, or any part thereof, shall be permitted by any Owner or any Occupant, guest or invitee of any Owner. Each Owner and Occupant shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner or Occupant, or the Owner's or Occupant's guest or invitee.

**Section 8.5 Pets** No Owner or Occupant may keep any animals other than two generally recognized household pets on any portion of the Condominium. A reasonable number of household pets weighing less than two pounds each may also be kept within the Unit. No pot-bellied pigs, venomous snakes, or other animals determined in the Board's sole discretion to be dangerous animals may be brought into or kept in the Condominium at any time. The Board of Directors may adopt rules and regulations defining generally recognized household pets.

No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose. No structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Common Elements, including Limited Common Elements. Pets must be kept on a leash and be under the physical control of a responsible person at all times while on the Common Elements; provided, however, dogs need not be leashed when within a balcony when attended by a person. Feces left by pets upon the Common Elements, Limited Common Elements (including the balconies), or in Units, including the pet owner's Unit, must be removed promptly by the owner of the pet or the person responsible for the pet.

The Board may require that any pet which, in the Board's opinion, endangers the health of any Owner or Occupant or creates a nuisance or unreasonable disturbance, be permanently removed from the Condominium upon ten days written notice. If the Owner or Occupant fails to comply with such notice, the Board may remove the pet and/or obtain a court order requiring the Owner or Occupant to do so.

Any Owner or Occupant who keeps or maintains any pet upon the Condominium shall be deemed to have agreed to indemnify and hold the Association, its directors, officers, and agents free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Condominium.

**Section 8.6 Parking** Each Unit has one assigned parking space. The assigned parking spaces may only be used by the Owner or Occupants to whom the parking space is assigned, and their guests and families. Vehicles which are inoperable or not currently licensed may not be kept in a parking space. No unused vehicles (vehicles not moved under their own propulsion for two weeks or more) shall be stored or parked in the Condominium without prior Board permission. Owners or Occupants who are ill or on vacation and will not be able to move their vehicle for more than two weeks must contact the Association's management agent to advise of the reason the vehicle will not be moved. No commercial vehicles or vehicles with commercial writing and no trucks (except pick-up trucks that are 3/4 ton or less) shall be stored or parked in the Condominium.

If any vehicle is parked on any portion of the Condominium in violation of this Section or in violation of the Association's rules and regulations, the Board or agent of the Association may place a notice on the vehicle specifying the nature of the violation and stating that after 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 24 hours after such notice is placed on the vehicle the violation continues or thereafter occurs again within six months of such notice, the Board or agent of the association may have the vehicle towed or booted in accordance with the notice, without further notice to the vehicle owner or user

If a vehicle located on the Condominium property is parked in a fire lane, blocking another vehicle or access to another Owner's parking space, is obstructing the flow of traffic, is parked in a parking space which has been assigned as exclusively serving another Unit, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed or booted immediately in accordance with the governmental regulations. If a vehicle is towed or booted in accordance with this Section, neither the Association nor any director, officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing or booting 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

Section 8 7 Heating of Units in Colder Months To prevent breakage of water pipes during colder months of the year resulting in damage to the Condominium, 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 heat in an "on" position and at a minimum temperature setting of 62° Fahrenheit (except during power failures or periods when heating equipment is being repaired) whenever the temperature is forecasted to or does reach 32° Fahrenheit or below. Owners and Occupants of Units shall take all reasonable steps on a timely basis to keep heating equipment, including, but not limited to, the zone valve and thermostat, in good working order and repair. At any time during the months specified above when the heating equipment is not working properly, the Owner or Occupant shall immediately inform the Association of this failure of the equipment and of the time needed to repair the equipment. The Board may fine any Owner up to \$500.00 in addition to any other remedies of the Association.

Section 8 8 Signs Except as may be provided for herein or as may be required by state law or legal proceedings, no signs, advertising posters, political placards or billboards of any kind shall be erected, placed, or permitted to remain on the Condominium without the prior written consent of the Board or its designee, except such signs as permitted by Colorado law. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.

Section 8.9 Rubbish, Trash, and Garbage All rubbish, trash, and garbage shall be regularly removed from the Unit and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Elements or Limited Common Elements outside the Unit, temporarily or otherwise, except in the Association's dumpster. Rubbish, trash, and garbage shall be disposed of in appropriate sealed bags and either placed in the dumpster for collection or removed from the Condominium.

Section 8 10 Unightly or Unkempt Conditions The pursuit of hobbies or other activities which might tend to cause disorderly, unsightly, or unkempt conditions shall not be pursued or undertaken on any part of the Common Elements. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the Unit.

Section 8 11 Antennas and Satellite Dishes Except as provided below, no satellite dish, antenna or other device for the transmission or reception of television signals, radio signals or any form of electromagnetic wave or radiation shall be erected, used or maintained on any portion of the Condominium, including the Unit or Limited Common Elements; provided, however, that the Association shall have the right to erect, construct and maintain such devices. The following shall apply to all Unit Owners:

(a) No transmission antenna, of any kind, may be erected anywhere on the Condominium, including the Units, without written approval of the Board of Directors.

(b) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) antenna larger than one meter in diameter shall be placed, allowed or maintained upon the Condominium, including the Units and the Limited Common Elements

(c) DBS and MMDS satellite dishes or antennas one meter or less in diameter and television broadcast service antennas may only be installed within a Unit or on the Limited Common Elements appurtenant to the Unit in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association, both as may be amended from time to time

If a Unit is transferred which includes a satellite dish or antenna, the grantee shall assume all responsibility for the satellite dish or antenna and shall comply with this Declaration, the Bylaws and the rules and regulations regarding satellite dishes and antennas, including, but not limited to, those requirements relating to maintenance and removal of satellite dish or antenna

Section 8 12 Grilling. The use of outdoor grills on any portion of the Condominium shall be governed by applicable state laws and local ordinances having jurisdiction over the Condominium

Section 8 13 Abandoned Personal Property. Personal property shall not be stored, kept, or allowed to remain for more than 24 hours upon any portion of the Common Elements, other than on a Limited Common Element, without prior written Board permission. If the Board determines that a violation exists, then, not less than two days after written notice is placed on the personal property and/or on the front door of the property owner's Unit, if known, the Board may remove and either discard or store the personal property in a location which the Board or the agent of the Association may determine and shall have no obligation to return, replace or reimburse the owner of the property. The notice shall include the name and telephone number of the person or entity which will remove the property and the name and telephone number of a person to contact regarding the alleged violation

The Board, in its discretion, may determine that an emergency situation exists and may exercise its removal rights hereunder without prior notice to the property owner; provided, however, in such case, the Board shall give the property owner, if known, notice of the removal of the property and the location of the property within three days after the property is removed.

Neither the Association nor any director, officer or agent thereof shall be liable to any person for any claim of damage resulting from the removal activity in accordance herewith. The Board may elect to impose fines or use other available remedies, rather than exercise its authority to remove property hereunder. The Association shall not be liable to the Owner of any Unit or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Elements

Section 8 14 Rules and Regulations. The Board of Directors may adopt, amend and repeal rules and regulations concerning and governing the Condominium in furtherance of the provisions of this Declaration and the general plan of development. The Board of Directors may also establish and enforce penalties for infractions of the rules, including, but not limited to fines and suspension of rights to use the recreational facilities

Section 8 15 Use of the words London House, London House Condominiums, and London House Condominium Association. No Owner or Occupant shall use the words London House, London House Condominiums, London House Condominium Association, or the logo of the Community or Association, if any, or any derivative thereof, in connection with any goods, materials or services, the use of which is likely to cause confusion, mistake or deception as to the source or origin of such goods, materials or services, without the prior written consent of the Association

ARTICLE 9  
LEASING OF UNITS

The Board shall have the power to make and enforce reasonable rules and regulations and to assess fines, in accordance with the Declaration, Bylaws and policies, to enforce the provisions of this Paragraph.

Section 9.1 Definition "Leasing," for purposes of this Declaration, is defined as regular, exclusive occupancy of a Unit by any person or persons other than the Owner; provided, however, for purposes of this Declaration, leasing shall not include exclusive occupancy by the child or parent of an Owner or occupancy by a roommate of an Owner who occupies the Unit as such Owner's primary residence

Section 9.2 Leasing Provisions Leasing of Units shall be governed by the following provisions:

(a) General Units may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing and in a form approved by the Board prior to the effective date of the lease. The terms of the addendum attached to this Declaration as Exhibit "C" shall be incorporated in all leases. There shall be no subleasing of Units or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than six months, except with written Board approval. Each Owner is strongly encouraged to conduct full background checks, including credit and criminal reports, for each lease applicant. Within seven days after executing a lease agreement for the lease of a Unit, the Unit Owner shall provide the Board with a copy of the lease and the name of the lessee and the names of all other people to occupy the Unit. The Unit Owner must provide the lessee copies of the Declaration and the rules and regulations.

(b) Compliance With Declaration, Bylaws, and Rules and Regulations. Use of Common Elements, and Liability for Assessments Any lease of a Unit shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner and each lessee, by occupancy of a Unit, covenants and agrees that any lease of a Unit shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant on the Unit:

(i) Compliance with Declaration, Bylaws, and Rules and Regulations The Owner and lessee and all Occupants of the Unit shall comply with all provisions of the Declaration and Association's rules and regulations. The Owner shall be responsible for all violations by the lessee and other Occupants and guests of Owner's Unit, notwithstanding the fact that the lessees are fully liable and may be sanctioned for any violations.

If a Unit is leased or occupied in violation of this Article or if the Owner, lessee, or a person living with the lessee, violates the Declaration or a rule or regulation, the Association's Board of Directors shall be authorized, in addition to all other available remedies, to levy fines against the Owner and/or the lessees and to suspend all voting and/or Common Element use privileges of the Owner, lessees and other Occupants.

If a Unit is leased or occupied in violation of this Article, the Association may require the Owner to evict the tenant. If the Owner, lessee, or a person living with the lessee, violates the Declaration or a rule or regulation, such violation is deemed to be a default under the terms of the lease and shall authorize the Owner or the Association, as more fully described herein, to terminate the lease without liability and to evict the lessee in accordance with Colorado law. If the Association requests that the Owner evict the Owner's tenant based on the terms of this Declaration and the Owner fails to commence eviction proceedings within 30 days of the date of the Association's notice, the Association may commence eviction proceedings. If the Owner fails to comply with the Association's request, the Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration and/or the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as

attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be a specific assessment and lien against the Unit.

(ii) Use of Common Elements The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Elements, including, but not limited to, the use of any and all recreational facilities

(c) Applicability of this Article Leases existing on the date this Declaration becomes effective shall not be subject to the terms of subsection (b) above. Such leases may continue in accordance with the terms of the Original Declaration. However, any assignment, extension, renewal, or modification of any lease agreement, including, but not limited to, changes in the terms or duration of occupancy, shall be considered a termination of the old lease and commencement of a new lease which must comply with this Article. Any Owner of a Unit which is leased on the date this Declaration is recorded with the Clerk and Recorder of the City and County of Denver shall place on file with the Board of Directors a copy of the lease agreement in effect within 30 days of the date on which this Declaration is recorded in the City and County of Denver Colorado land records

This Article shall not apply to any leasing transaction entered into by the holder of any first Mortgage on a Unit who becomes the Owner of a Unit through foreclosure or any other means pursuant to the satisfaction of the indebtedness secured by such Mortgage

## ARTICLE 10 INSURANCE

Section 10.1 Association's Insurance The Association shall obtain and maintain at all times, as a Common Expense, insurance as required herein. The Association's insurance policy shall exclude improvements and betterments made by the Unit Owner and shall exclude the finished surfaces of perimeter and partition walls, floors, and ceilings within the Units (i.e., paint, wallpaper, paneling, other wall covering, tile, carpet and any floor covering)

All insurance purchased by the Association pursuant to this Article shall run to the benefit of the Association, the Board of Directors, officers, all agents and employees of the Association, the Unit Owners and their respective Mortgagees, and all other persons entitled to occupy any Unit as their interests may appear. The Association's insurance policy may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance equals at least the replacement cost of the insured property.

The Board of Directors shall make available for review by Owners a copy of the Association's insurance policy to allow Owners to assess their personal insurance needs. Each Owner shall have the right to obtain additional coverage at his or her own expense.

All insurance coverage for the Association shall be written in the name of the Association as trustee for itself, each of the Owners, and the Mortgagees of Owners, if any. It shall be the duty of the Board of Directors at least every two years to conduct an insurance review to determine if the policy in force is adequate to meet the needs of the Association. Such responsibility may be performed, and shall be deemed reasonably performed, by the Board requesting the Association's insurance agent to verify that insurance policies in existence meet the needs of the Association and satisfy the requirements of this Declaration.

(a) The Board of Directors shall utilize reasonable efforts to secure a blanket hazard insurance policy providing "all risk" coverage in an amount equal to full replacement cost, before application of deductibles, of all improvements located on the Condominium. If "all risk" coverage is not reasonably available at reasonable cost, the Board shall obtain, at a minimum, broad form covered

causes of loss, in like amounts. The Board shall use reasonable efforts to obtain policies that will provide the following:

- (i) each Unit Owner is an insured person under the policy with respect to liability arising out of such Unit Owner's interest in the Common Elements or membership in the Association;
  - (ii) the insurer waives its rights of subrogation of any claims against directors, officers, the managing agent, the individual Owners and their respective household members;
  - (iii) no act or omission by any Unit Owner not under the control of the Association will void the policy or be a condition to recovery under the policy;
  - (iv) ordinance or law coverage, demolition cost coverage and increased cost of construction coverage;
  - (v) any "other insurance" clause contained in the master policy shall expressly exclude individual Unit Owners' policies from its operation;
  - (vi) the master policy may not be canceled, substantially modified, or subjected to non-renewal without at least 30 days prior notice in writing to the Board of Directors and all Mortgagees of Units;
  - (vii) the casualty insurance may not contain a "no co-insurance" provision;
  - (viii) all insurance policies of the Association shall be primary if there is other insurance in the name of the Owner;
  - (ix) an agreed value endorsement and an inflation guard endorsement; and
  - (x) steam boiler and mechanical breakdown coverage endorsement with a minimum liability per accident in a reasonable amount as determined by the Board to protect the Association. In the alternative, the Association may purchase separate stand-alone boiler and mechanical breakdown coverage.
- (b) All policies of insurance shall be written with a company licensed to do business in the State of Colorado. The company shall provide insurance certificates to each Owner and each Mortgagee upon request.
- (i) Exclusive authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
  - (ii) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees. Each Unit Owner shall notify the Board of Directors of all structural improvements made by the Unit Owner to his or her Unit. Any Unit Owner who obtains an individual insurance policy covering any portion of the Condominium, other than improvements and betterments made by such Owner at his or her expense and personal property belonging to such Owner, shall file a copy of such individual policy or policies with the Board of Directors within 30 days after the purchase of such insurance. Such Owner shall also promptly notify, in writing, the Board of Directors in the event such policy is cancelled.
- (c) In addition to the insurance required above, the Board shall obtain as a Common Expense:

(i) workers' compensation insurance if and to the extent necessary to meet the requirements of law;

(ii) public liability insurance in amounts no less than \$1,000,000.00, and officers' and directors' liability insurance in such amounts as the Board may determine. The public liability insurance shall contain a cross liability endorsement;

(iii) fidelity bonds, if reasonably available, covering officers, directors, employees, and other persons who handle or are responsible for handling Association funds in an amount consistent with the best business judgment of the Board of Directors; and

(iv) such other insurance as the Board of Directors may determine to be necessary or desirable

(d) Insurance carried by the Association as a Common Expense shall not be required to include: (i) any part of a Unit that is not depicted on the Map; or (ii) any part of a Unit that was not included as part of the collateral for the initial loan made for the initial purchase of the Unit (including balcony enclosures), nor shall the Association include public liability insurance for individual Owners for liability arising within the Unit

(e) Nothing contained herein gives any Owner or other party a priority over any rights of first Mortgagees as to distribution of insurance proceeds. Any insurance proceeds payable to the Owner of a Unit on which there is a Mortgagee endorsement shall be disbursed jointly to such Unit Owner and the Mortgagee. This is a covenant for the benefit of any such Mortgagee and may be enforced by any such Mortgagee

(f) Insurance Deductibles In the event of an insured loss, any required deductible shall be considered a maintenance expense to be paid by the person or persons who would be responsible for such loss in the absence of insurance. (See Article 6 regarding allocation of maintenance responsibility) Notwithstanding this provision, if a loss affects a Unit or the Common Elements and such loss is caused by the negligent or willful act or omission of an Owner or the Association, the party who committed a willful or negligent act or omission shall be responsible for the deductible. If the loss affects more than one Unit or a Unit and the Common Elements, the cost of the deductible may be apportioned equitably by the Board among the parties suffering loss in proportion to the total cost of repair, subject to the above standards regarding negligence and willful conduct. Notwithstanding this, if the insurance policy provides that the deductible will apply to each Unit separately or to each occurrence, each Unit Owner shall be responsible for paying the deductible pertaining to the loss, subject to the above standard regarding negligence and willful conduct. If any Owner or Owners fail to pay the deductible when required under this Section, then the Association may pay the deductible and assess the cost to the Owner or Owners pursuant to Article 5 of this Declaration.

(g) Payment of Claims to Delinquent Owners Notwithstanding anything to the contrary herein, in the event of an insured loss under the Association's master hazard insurance policy for which the Association receives from the insurer payment for a loss sustained by an Owner who is delinquent in the payment of assessments owed to the Association under Article 5 hereof, then the Association may retain and apply such proceeds to the delinquency. Any surplus remaining after application of the proceeds to any delinquency shall be paid by the Association to the affected Unit Owner.

Section 10.2 Owners' Insurance Every Unit Owner shall be obligated to obtain and maintain at all times insurance covering those portions of his or her Unit to the extent not insured by policies maintained by the Association. Each Unit Owner is also responsible for obtaining insurance covering: the finished surfaces of perimeter and partition walls, floors, and ceilings within the Units (i.e., paint, wallpaper, paneling, other wall covering, tile, carpet and any floor covering); his or her personal property; and coverage for liability arising within the Unit and arising out of use of the balconies. The Association shall have no liability for the failure of any Unit Owner to maintain required insurance. Upon request by the Board, the Unit Owner shall furnish a copy of such insurance policy or policies to the Association

ARTICLE 11  
REPAIR AND RECONSTRUCTION

In the event of damage to or destruction of all or any part of the Condominium as a result of fire or other casualty, unless Unit Owners holding at least 67% of the total Association vote, including the Owner or Owners of any damaged Unit or Units and Eligible Mortgage Holders that represent at least 51% of the votes of Units that are subject to mortgages held by Eligible Mortgage Holders, vote not to proceed with the reconstruction and repair of the structure, the Board of Directors or its duly authorized agent shall arrange for and supervise the prompt repair and restoration of the structure. In the event of substantial damage or destruction, each holder of a first Mortgage shall be entitled to written notice of the damage, and nothing in these documents shall be construed to afford a priority to any Unit Owner with respect to the distribution of proceeds to any such Unit.

(a) Cost Estimates Immediately after a fire or other casualty causing damage to the Condominium, the Board of Directors shall obtain reliable and detailed estimates of the cost of repairing and restoring the structures (including any damaged Unit) to substantially the condition that existed before such casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. Such costs may also include professional fees and premiums for such bonds as the Board of Directors determines to be necessary.

(b) Source and Allocation of Proceeds If the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair due to failure of the Association to maintain coverage as provided in Article 10 of this Declaration, the additional cost shall be a Common Expense. For purposes of this section, insufficient proceeds do not include the deductible. If, for any other reason, the proceeds of insurance are not sufficient to defray the costs of reconstruction and repair, as determined by the Board, the additional costs shall be assessed against the Owners of the Unit(s) damaged in proportion to the damage to the Units or against all Owners, in the case of insufficient funds to cover damage to the Common Elements. This assessment shall not be considered a special assessment as discussed in Article 5, Section 5.5 of this Declaration. If there are surplus funds after repair and reconstruction is completed, such funds shall be common funds of the Association to be used as directed by the Board.

(c) Floor Plans and Specifications Any such reconstruction or repair shall be substantially in accordance with the Map and specifications under which the Condominium was originally constructed, except where changes are necessary to comply with current applicable building codes or where improvements not in accordance with the original Map and specifications are approved by the Board of Directors. To the extent insurance proceeds are available, the Association may reconstruct or repair Owner improvements damaged as a result of fire or other casualty.

(d) Encroachments Encroachments upon or in favor of Units that may be created as a result of such reconstruction or repair shall not constitute a claim or basis for any proceeding or action by the Unit Owner upon whose property such encroachment exists, provided that such reconstruction was substantially in accordance with the architectural plans under which the Condominium was originally constructed. Such encroachments shall be allowed to continue in existence for so long as the reconstructed building shall stand.

(e) Construction Fund The net proceeds of the insurance collected on account of a casualty and the funds collected by the Association from assessments against Unit Owners on account of such casualty shall constitute a construction fund, which shall be disbursed in payment of the cost of reconstruction and repair in the manner set forth in this Article to be disbursed by the Association in appropriate progress payments to such contractor(s), supplier(s), and personnel performing the work or supplying materials or services for the repair and reconstruction of the buildings as are designated by the Board of Directors.

ARTICLE 12  
EASEMENTS

Section 12.1 Easements for Use and Enjoyment Every Unit Owner and Occupant shall have a right and non-exclusive easement of ingress and egress, use and enjoyment in and to the Common Elements which shall be appurtenant to and shall pass with the title to his or her Unit, subject to the following provisions:

- (a) the rights of the Unit Owners to the exclusive use of the Limited Common Elements assigned to their respective Units;
- (b) the right of the Association to have access to the Units and Limited Common Elements assigned to a Unit to discharge its rights and obligations, under the Governing Documents, including without limitation, the maintenance responsibility of the Association
- (c) the right of the Association to suspend rights of an Owner to use the recreational facilities for any period during which any assessment or charge against his or her Unit which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations by the Owner, or by Owner's family, guests, tenants or other Occupants of Owner's Unit;
- (d) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility that is part of the Common Elements and to limit the number of guests or invitees of each Owner who may use the recreational or other Common Element facilities;
- (e) the right of the Association to borrow money as set forth in the Article 5 of this Declaration; provided, however, the lien and encumbrance of any such security interest given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for any Unit or Unit Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Unit (Any provision in this Declaration or in any such security interest given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of any Unit or Unit Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Unit );
- (f) the right of the Association to grant easements, leases and licenses across the Common Elements;
- (g) the right of the Association to dedicate or transfer all or any portion of the Common Elements subject to approval of Owners holding 67% of the total Association vote; and
- (h) the right of the Association to change the use of portions of the Common Elements or to close portions of the Common Elements

Any Unit Owner may delegate his or her right of use and enjoyment in and to the Common Elements and facilities located thereon to the members of his or her family, his or her tenants and guests, and shall be deemed to have made a delegation of all such rights to the Occupants of his or her Unit, if leased

Section 12.2 Easement for Entry The Association has an easement to enter into Units for maintenance, emergency, security, or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in performing their respective duties Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice to the Owner or Occupant of the Unit For the purposes of this Section, an emergency justifying immediate entry into a Unit shall include, but not be limited to, the following situations: a water or other utility leak, fire, strong foul odor, obvious insect infestation or sounds indicating that a person or animal might be

injured or sick and require immediate medical attention. No one exercising the rights granted in this Section shall be liable for trespass, damages, or in any other manner by virtue of exercising such rights. The failure to exercise the rights herein or to exercise said rights in a timely manner shall not create liability to any of the above-referenced parties, it being agreed that no duty to enter a Unit shall exist.

Section 12.3 Support. Every portion of a Unit and all Common Elements contributing to the support of an abutting Unit shall be burdened with a non-exclusive easement of support for the benefit of such abutting Unit.

Section 12.4 Encroachments. To the extent that any Unit or Common Element encroaches on any other Unit or Common Element, a valid easement for the encroachment exists. The easement does not relieve a Unit Owner of liability in case of willful misconduct.

Section 12.5 Utilities. To the extent that any utility line, pipe, wire, or conduit serving any Unit, Units or the Common Elements lies wholly or partially within the boundaries of another Unit or the Common Elements, such other Unit, Units, or the Common Elements shall be burdened with a non-exclusive easement for the use, maintenance, repair and replacement of such utility line, pipe, wire or conduit, such non-exclusive easement to be in favor of the Unit, Units, or Common Elements served by the same and the Association. At the sole expense of the Association, without need for a membership vote, and without the consent of any affected Unit Owner, the Board of Directors, on behalf of the Owner can relocate any portion of the air conditioning, heating, plumbing, ventilating, exhaust or electrical system serving a particular Unit, provided that after such relocation, the system serving the Unit functions at least as well and at no greater cost to the Unit Owner as existed prior to the relocation.

Section 12.6 Public in General. The easements and rights created in this Article do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public; provided, however, nothing set forth herein shall in any way limit or restrict any existing easements or rights already granted to the public as such easements or rights are previously recorded in the City and County of Denver, Colorado records.

### ARTICLE 13 MORTGAGEE'S RIGHTS

Section 13.1 Abandonment or Termination. Unless Eligible Mortgage Holders that represent at least 67% of the votes of the mortgaged Units and Unit Owners holding at least 67% of the total Association vote give their consent, the Association or the membership shall not by act or omission seek to abandon or terminate the Condominium (except in the case of substantial destruction, which shall be governed by Article 11, Section 11.1 of this Declaration).

Section 13.2 Liability for Assessments. The Mortgagee holding a first Mortgage of record, or other purchaser of a Unit obtains title pursuant to judicial or non-judicial foreclosure of the Mortgage, it shall not be liable, nor shall the Unit be subject to a lien, for the share of the Common Expenses or assessments by the Association chargeable to such Unit which became due prior to such acquisition of title except as provided in the Act. Any unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Units, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

Section 13.3 Notice to Eligible Holders. Upon written request to the Association, identifying the name and address of the holder and the Unit number or address, any Eligible Mortgage Holder will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Condominium or any Unit on which there is a first Mortgage held by such Eligible Mortgage Holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Unit subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of 60 days, and any default in the performance by an individual Unit Owner of any other obligation under the Governing Documents which is not cured within 60 days;

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

(d) any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein

Section 13.4 No Priority No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Unit in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Elements

Section 13.5 Notice to Association Upon request, each Owner shall be obligated to furnish to the Association the name and address of any mortgagee encumbering such Owner's Unit

Section 13.6 Failure of Mortgagee to Respond Any Mortgagee who receives a written request from the Board to respond to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

Section 13.7 Construction of this Article Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Governing Documents or Colorado law for any of the actions set forth in this Article.

#### ARTICLE 14 AUTHORITY AND ENFORCEMENT

Section 14.1 General The Condominium property shall be used only for those uses and purposes set out in this Declaration. Every Owner and Occupant shall comply with this Declaration, the Bylaws and rules and regulations of the Association, and any lack of compliance therewith shall entitle the Association and, in an appropriate case, one or more aggrieved Unit Owners, to take action to enforce the terms of the Declaration, Bylaws or rules and regulations. In addition to any rights the Association may have against an Owner's family, guests, tenants or Occupants, as a result of such person's violation of the Governing Documents, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Occupants.

The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Unit. If any Occupant of a Unit violates the Declaration, Bylaws or rules and regulations, a fine may be imposed against the Owner and/or Occupant after notice to the alleged violator and an opportunity to be heard in accordance with the Association's covenant and rule enforcement procedure.

In any enforcement action taken by the Association under this Article, to the maximum extent permissible under the Act, all costs incurred by the Association in abating a violation or otherwise taking action to enforce the Declaration, Bylaws or Association rules, including reasonable attorney's fees actually incurred, may be assessed against the violating Owner and/or Occupant pursuant to Article 4, Section 4.3(b) (ii) above.

Section 14.2 Additional Enforcement Rights Notwithstanding anything to the contrary herein contained, the Board may elect to enforce any provision of the Declaration, the Bylaws, or the rules and regulations by self-help and/or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity for compliance with the hearing procedure. The Board may also

suspend an Owner's right to vote and use the recreational facilities for violation of any duty imposed under the Declaration, Bylaws or Association rules.

The Association or its duly authorized agent shall have the power to enter upon any portion of the Common Elements, including the Limited Common Elements, to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the Bylaws or the rules and regulations. Such removal, abatement and restoration shall be accomplished at the violator's sole cost and expense. If the Association exercises its right subject to this Section, all costs, shall be assessed against the violating Owner or Occupant and shall constitute a lien against the Unit. Additionally, subject to the Act, the Association shall also be entitled to reasonable attorney's fees actually incurred and collected as an assessment pursuant to this Declaration. The Association shall also have the authority to record in the City and County of Denver real property records a notice of violation identifying any uncurd violation of the Declaration, Bylaws or rules and regulations regarding the Unit and or the Unit Owner.

Section 14.3 Failure to Enforce. The failure of the Board to enforce any provision of the Declaration, Bylaws or rules and regulations shall not be deemed a waiver of the right of the Board to do so thereafter. No right of action shall exist against the Association for failure of enforcement where: (i) the Board determines that the Association's position is not strong enough to justify taking enforcement action; (ii) a particular violation is not of such a material nature as to be objectionable to a reasonable person or justify the expense and resources to pursue; or (iii) the Owner or party asserting a failure of enforcement possesses an independent right to bring an enforcement action at law or in equity and has failed to do so

#### ARTICLE 15 AMENDMENTS

Except where a higher vote is required for action under any other provision of this Declaration or by the Act, in which case such higher vote shall be necessary to amend such provision, this Declaration may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the Unit Owners holding at least 67% of the total Association vote

Notice of any meeting at which a proposed amendment will be considered shall state the fact of consideration and the subject matter of the proposed amendment. No amendment shall be effective until certified by the President and Secretary of the Association and recorded in the City and County of Denver, Colorado real property records

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent at least 51% of the votes of Units that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, the approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment provided in Section 13.6 of this Declaration. Material amendments are those that establish, provide for, govern or regulate any of the following:

- (a) voting rights;
- (b) increases in assessments that raise the previously assessed amount by more than 25% percent, assessment liens or subordination of such liens;
- (c) reductions in reserves for maintenance, repair and replacement of the Common Elements;
- (d) responsibility for maintenance and repair of the Condominium;
- (e) reallocation of interests in the Common Elements or Limited Common Elements, or rights to their use;
- (f) reallocation of rights to use the Common Elements or Limited Common Elements;

- (g) redefinition of any Unit boundaries;
- (h) convertibility of Units into Common Elements or of Common Elements into Units;
- (i) expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- (j) hazard insurance or fidelity bond requirements;
- (k) imposition of any restrictions on the leasing of Units;
- (l) imposition of any restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (m) restoration or repair of the Condominium (after damage or partial condemnation) in a manner other than that specified in the Governing Documents); and
- (n) amendment of any provisions that expressly benefit Eligible Mortgage Holders or insurers or guarantors of first mortgages on Units in the Condominium

Notwithstanding the foregoing, the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to correct any scrivener's errors, comply with any applicable state, city or federal law, and/or to bring the Condominium into compliance with applicable rules and regulations of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban Development ("HUD") and the Veterans Administration ("VA") pursuant to federal law

Any action to challenge the validity of an amendment adopted under this Article must be brought within one year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

#### ARTICLE 16 GENERAL PROVISIONS

Section 16.1 SECURITY. THE ASSOCIATION MAY, BUT SHALL NOT BE REQUIRED TO, FROM TIME TO TIME, PROVIDE MEASURES OR TAKE ACTIONS WHICH DIRECTLY OR INDIRECTLY IMPROVE SECURITY ON THE CONDOMINIUM; HOWEVER, EACH OWNER, FOR HIMSELF OR HERSELF AND HIS OR HER TENANTS, GUESTS, LICENSEES, AND INVITEES, ACKNOWLEDGES AND AGREES THAT THE ASSOCIATION IS NOT A PROVIDER OF SECURITY AND THE ASSOCIATION SHALL NOT HAVE A DUTY TO PROVIDE SECURITY ON THE CONDOMINIUM. FURTHERMORE, THE ASSOCIATION DOES NOT GUARANTEE THAT NON-UNIT OWNERS AND NON-OCCUPANTS WILL NOT GAIN ACCESS TO THE CONDOMINIUM AND COMMIT CRIMINAL ACTS ON THE CONDOMINIUM NOR DOES THE ASSOCIATION GUARANTEE THAT CRIMINAL ACTS ON THE CONDOMINIUM WILL NOT BE COMMITTED BY OTHER UNIT OWNERS OR OCCUPANTS. IT SHALL BE THE RESPONSIBILITY OF EACH OWNER TO PROTECT HIS OR HER PERSON AND PROPERTY AND ALL RESPONSIBILITY TO PROVIDE SUCH SECURITY SHALL LIE SOLELY WITH EACH UNIT OWNER. THE ASSOCIATION SHALL NOT BE HELD LIABLE FOR ANY LOSS OR DAMAGE BY REASON OF FAILURE TO PROVIDE ADEQUATE SECURITY OR INEFFECTIVENESS OF MEASURES UNDERTAKEN.

Section 16.2 Dispute Resolution. Prior to filing a lawsuit against the Association, the Board, or any officer, director, or property manager of the Association, a Unit Owner or Occupant must request and attend a hearing with the Board of Directors. Any such request shall be in writing and shall be personally delivered to any member of the Board of Directors or the property manager, if any, of the Association. The Owner or Occupant shall, in such request and at the hearing, make a good faith effort to explain the grievance to the Board and resolve the dispute in an amicable fashion, and shall give the Board a reasonable opportunity to address the Owner's or Occupant's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person

requesting the hearing. The Board shall schedule this hearing for a date not less than ten or more than 21 days from the date of receipt of the request.

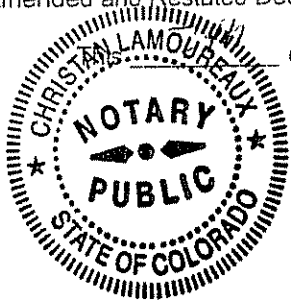
Section 16.3 Implied Rights The Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

Section 16.4 Electronic Records, Notices and Signatures Notwithstanding any other portion of this Declaration, records, signatures and notices shall not be denied validity or effectiveness hereunder solely on the grounds that they are transmitted, stored, made or presented electronically. The relevant provisions of the Bylaws shall govern the giving of all notices required by this Declaration.

Section 16.5 Duration The covenants and restrictions of this Declaration shall run with and bind the Property perpetually unless otherwise terminated as provided herein.

Section 16.6 Severability Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the application of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned officers of London House Condominium Association hereby certify that this Amended and Restated Declaration was duly adopted by the Members of the Association of that the District Court of City and County of Denver has entered an order approving this Amended and Restated Declaration.



\_\_\_\_\_ day of October, 2007

LONDON HOUSE CONDOMINIUM ASSOCIATION

By: [Signature]

STATE OF COLORADO )  
COUNTY OF DENVER ) ss

The foregoing Declaration was acknowledged before me by Sheri Tracey,  
President of the Association, on this 27th day of October, 2007

[Signature]  
Notary Public

My commission expires: 10/18/2008

EXHIBIT "A"

Legal Description of Condominium

That part of Section 2, Township 4 South, Range 68 West of the 6th Principal Meridian and being Lots 18 through 28 inclusive, Block 3, CENTRAL CAPITOL HILL SUBDIVISION, City and County of Denver, State of Colorado more particularly described as follows: Beginning at the Southeast corner of Block 3, CENTRAL CAPITOL HILL SUBDIVISION; thence Westerly along the South line of said Block 3, a distance of 125 feet; thence Northerly and parallel with the East line of said Block 3, a distance of 275 feet; thence Easterly and parallel with the South line of said Block 3, a distance of 125 feet to the East line of said Block 3; thence Southerly along said East line a distance of 275 feet to the point of beginning

EXHIBIT B  
TO  
CONDOMINIUM DECLARATION  
FOR  
LONDON HOUSE CONDOMINIUM

CONDOMINIUM UNIT NO.	UNDIVIDED INTEREST IN COMMON ELEMENTS APPURTENANT TO THE CONDOMINIUM UNIT	CONDOMINIUM UNIT NO.	UNDIVIDED INTEREST IN COMMON ELEMENTS APPURTENANT TO THE CONDOMINIUM UNIT
101	01889581	401	01889581
102	01889581	402	01889581
103	01528037	403	01528037
105	01528037	404	01528037
106	01528037	405	01528037
107	00932284	406	01528037
108	01528037	407	00932284
109	01528037	408	00932284
201	01889581	409	01528037
202	01889581	410	01528037
203	01528037	411	01889581
204	01528037	412	01889581
205	01528037	501	01889581
206	01528037	502	01889581
207	00932284	503	01528037
208	00932284	504	01528037
209	01528037	505	01528037
210	01528037	506	01528037
211	01889581	507	00932284
212	01889581	508	00932284
301	01889581	509	01528037
302	01889581	510	01528037
303	01528037	511	01889581
304	01528037	512	01889581
305	01528037	601	01889581
306	01528037	602	01889581
307	00932284	603	01528037
308	00932284	604	01528037
309	01528037	605	01528037
310	01528037	606	01528037
311	01889581	607	00932284
312	01889581	608	00932284
		610	01528037
<b>TOTALS:</b>	<b>No. of Units: 65</b>	<b>Percentage:</b>	<b>100%</b>

EXHIBIT "C"

Addendum to Lease Agreement for  
London House Condominiums

STATE OF COLORADO

CITY AND COUNTY OF DENVER

This Addendum is made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between \_\_\_\_\_  
\_\_\_\_\_ (hereinafter called "Lessor"), \_\_\_\_\_  
\_\_\_\_\_ and \_\_\_\_\_ (hereinafter called "Lessee")  
adds the following provisions to the residential lease agreement entered into between Lessor and Lessee  
dated \_\_\_\_\_ ("Lease"):

1     ASSOCIATION IS THIRD-PARTY BENEFICIARY Lessee and Lessor acknowledge that the London House Condominium Association (hereinafter the "Association"), is a third-party beneficiary of the promises made in this Addendum.

2     COMPLIANCE AND ENFORCEMENT BY ASSOCIATION Lessee shall comply strictly with the Amended and Restated Declaration for London House Condominiums (hereinafter the "Declaration"), the Bylaws of Association (hereinafter the "Bylaws"), and the administrative rules and regulations adopted pursuant thereto, as any of the foregoing may be lawfully amended from time to time. Lessee shall control the conduct of his or her family and guests in order to assure compliance with the foregoing and shall indemnify and hold Lessor and the Association harmless for any such person's failure to comply. Lessee acknowledges that the violation by Lessee, or any occupant or person living with Lessee, of any provision of the Declaration, Bylaws, or the rules and regulations adopted thereunder, shall constitute a default under this Lease.

In order to enforce the provisions of this Addendum, the Association may bring an action against the Lessor or Lessee for damages or injunctive relief or may impose any other sanction authorized by the Declaration or Bylaws or available at law or in equity including, without limitation, the right to suspend the Lessee's use of Common Elements and to impose fines upon Lessee for such violations. Failure by the Association to enforce any of its rights shall not be deemed a waiver of the right to do so thereafter.

Lessee and Lessor hereby represent that Lessee has been given a copy of the Declaration, Bylaws, and rules and regulations of London House Condominium Association, that Lessee has read them, and that Lessee is bound by them.

If Lessee or a person living with Lessee violates the Declaration, Bylaws or a rule or regulation for which a fine is imposed, the Association shall have the option to assess a fine against Lessee; provided, however, if the fine is not paid by Lessee within the time period set by the Board of Directors of the Association, Lessor shall pay the fine upon notice from the Association of Lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Condominium Unit.

3     ASSIGNMENT AND SUBLEASING In addition to any other restrictions on assignment and subletting set forth in the Lease, Lessee shall not assign this Lease or sublet the Unit or any part thereof unless the assignee executes and delivers an addendum substantially identical to this Addendum agreeing to be bound by the terms hereof.

4     SUBORDINATION OF RIGHTS Lessee's and Lessor's rights shall be subject to all rights of the Association and any bona fide mortgage or deed to secure debt which is now or may hereafter be placed upon the Premises by Lessor.

5 CONFLICTS. If there is a conflict between the Lease and this Addendum, this Addendum shall control. All unaffected provisions of the Lease shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

LESSOR: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Please Print)

LESSEE: \_\_\_\_\_  
(Signature)

Name: \_\_\_\_\_  
(Please Print)