

**AMENDED
CONDOMINIUM DECLARATION
FOR
SNOWMASS MOUNTAIN CONDOMINIUMS**

This Condominium Declaration dated this 14th day of January, 1974, is made by Snowmass Mountain Development Co., a corporation organized and existing under and by virtue of the laws of the State of Colorado.¹

ARTICLE I.

RECITALS AND CERTAIN DEFINITIONS

SECTION 1.1. THE DECLARANT. Snowmass Mountain Development Co., together with its successors and assigns, collectively, is herein called the "Declarant."

SECTION 1.2. THE REAL PROPERTY. Declarant is the owner of those certain parcels of real property located in the County of Pitkin, State of Colorado, described in Exhibit A attached hereto and made a part hereof by this reference, which parcels are therein designated, and will hereinafter be referred to as Parcel A, Parcel B, and Parcel C.

SECTION 1.3. INTENTION OF DECLARANT. Declarant desires to establish a condominium project and intends to provide for condominium ownership of the real property, buildings, and improvements to be situated thereon under the Condominium Ownership Act of the State of Colorado. Declarant intends to define the character, duration, rights, obligations and limitations of condominium ownership in the condominiums, and for such purposes executes this Condominium Declaration.

SECTION 1.4. THE PROJECT. The term "Project" shall mean all of the property and improvements submitted to this Declaration and known as Snowmass Mountain Condominiums (including all property including buildings and improvements thereon controlled by the initial Declaration and supplements thereto) all of which shall be submitted to and governed by the Declaration.

¹ This is a composite copy of the initial Condominium Declaration for Snowmass Mountain Condominiums recorded January 14, 1974 in Book 283, Page 341 as Reception Number 164843; the First Amendment to Condominium Declaration that was recorded on February 20, 1985 in Book 481 at Page 709 as Reception Number 266175; and amendments approved at a meeting of the Owners and Members of the Snowmass Mountain Condominium Association held on August 18, 2007 that was continued to January 25, 2008 and further continued to March 28, 2008.

SECTION 1.5. SUBMISSION OF PROPERTY. The Owners acknowledge and hereby confirm, grant, convey, and submit to the Declaration all lands of the Project and the buildings and improvements located thereon, and shown on the map, subject to easements, rights-of-way, restrictions and reservations of record, and easements for access. Such land and improvements include the property referred to in the initial Declaration and the Supplemental Declaration and as shown on the Map and Supplemental Maps.

SECTION 1.6. TYPE OF OWNERSHIP. This condominium ownership project will provide a means for ownership in fee simple of individual air space units and for co-ownership with others, as tenants in common, of Common Elements, as herein defined.

ARTICLE II.

ADDITIONAL DEFINITIONS

The following terms shall have the following meanings when used herein unless the context otherwise requires.

SECTION 2.1. BUILDING. "Building" means any building of the Project property subject to this Declaration, or in conformance with the provisions of Article XVI hereof.

SECTION 2.2. UNIT. "Unit" means an individual air space unit, consisting of enclosed rooms occupying part of a Building and bounded by the interior surfaces of the perimeter walls, floors, ceilings, windows, and doors thereof as shown and numbered on the Condominium Map filed for record, together with all fixtures and improvements therein contained, but not including any of the structural components of a Building, if any, within a Unit.

SECTION 2.3. CONDOMINIUM UNIT. "Condominium Unit" means a Unit together with an undivided interest in the Common Elements of the Project as set forth in the Maps and Exhibits of record that pertain to the Project.

SECTION 2.4. COMMON ELEMENTS. "Common Elements" means all of the Project except all Units, including, but not limited to, the land on which the Buildings are located.

SECTION 2.5. LIMITED COMMON ELEMENTS. "Limited Common Elements" means those Common Elements designated herein for exclusive use by Owners of particular Condominium Units, as those terms are herein defined.

SECTION 2.6. GENERAL COMMON ELEMENTS. "General Common Elements" means all Common Elements except all Limited Common Elements.

SECTION 2.7. OWNER. "Owner" means a person, persons, firm, corporation, partnership, association or other legal entity which owns an interest in one or more

Condominium Units; the term "Owner" shall not refer to any Mortgagee, as herein defined, unless such Mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

SECTION 2.8. MORTGAGE. "Mortgage" means any mortgage deed of trust, or other security instrument by which a Condominium Unit or any part thereof is encumbered.

SECTION 2.9. MORTGAGEE. "Mortgagee" means any person, persons, firm, corporation, partnership, association or other legal entity named as the mortgagee or beneficiary under any Mortgage under which the interest of any Owner is encumbered.

SECTION 2.10. ASSOCIATION. "Association of Unit Owners" or "Association" means Snowmass Mountain Condominium Association, Inc., a Colorado corporation, not for profit, its successors and assigns, to be organized as provided herein. Nothing herein shall preclude the Association from changing its name or the name of the Project.

SECTION 2.11. LAND. "Land" means all of the lands subject to this Declaration including Parcels A, B and C that were the subject of the initial Declaration, the Supplemental Declaration and Second Supplement.

SECTION 2.12. COMMON EXPENSES. "Common Expenses" means and includes expenses for maintenance, repair, operation, management and administration of the Common Elements, expenses declared common expenses by the provisions of the Declaration and the By-laws of the Condominium Association, and all sums lawfully assessed against the Common Elements.

SECTION 2.13. MAP OR CONDOMINIUM MAP. "Map" or "Condominium Map" means a plat or plats or survey or surveys of the surface of the ground of the property showing a survey and legal description thereof, the locations of the Buildings with respect to the boundaries of the property, together with diagrammatic floor plans of the Buildings, showing the boundaries of each Unit within each Building, including horizontal and vertical locations and dimensions of all boundaries of each Unit, Unit numbers identifying the Units, together with such other information as may be included thereon. If a supplemental Condominium Map or Maps shall be filed in the Pitkin County, Colorado records, pursuant to Section 16.2 of this Declaration, the term "Map" or "Condominium Map" thereafter shall mean the original Condominium Map, together with all supplemental maps. In this regard, the term "Map" means and includes the Amended Condominium Map.

SECTION 2.14. ADDITIONAL PROPERTY. "Additional property" means real property in addition to property subject to the Declaration which may be subjected to this Declaration in the future.

SECTION 2.15. CCIOA. "CCIOA" means the Colorado Common Interest Ownership Act, Title 38, Article 33.3 of the Colorado Revised Statutes, as amended from time to time. The Members of the Association and Owners elected to the accept the provisions of CCIOA at the annual meeting held on August 18, 2007 by a vote of sixty-seven percent of the votes that the persons present at such meeting in person or by proxy were entitled to cast so that the Snowmass Mountain Condominium Association and the Snowmass Mountain Condominium Project shall be treated as a common interest community organized after June 30, 1992. Whenever specific reference to a CCIOA section is made herein it will be deemed to include any amendments or substitutions thereof as the same may be adopted from time to time. If such a section is repealed, then the reference shall be deemed to be to any provision that replaces the repealed sections.

ARTICLE III.

PREPARATION AND FILING OF CONDOMINIUM MAP

SECTION 3.1. PREPARATION OF MAP. The Condominium Map shall be completed only after the Buildings and improvements to be depicted thereon have been substantially completed so that all points to be located thereon will reflect the true location of each Unit and of the Common Elements, as built.

SECTION 3.2. RECORDING. The Condominium Map or Maps shall be filed for record in the Real Estate Records of the County Clerk and Recorder of Pitkin County, Colorado, prior to the conveyance of any Condominium Unit.

SECTION 3.3. BOUNDARIES OF UNIT. In interpreting the Map or any amended Map or supplemental Map, the existing physical boundaries of each Unit as constructed shall be conclusively presumed to be its boundaries.

ARTICLE IV.

STATEMENT OF INTENTION AND PURPOSE

ARTICLE IV. STATEMENT OF INTENTION AND PURPOSE. Owners hereby declare that the Project and every part thereof is held and shall be held, conveyed, devised, leased, rented, encumbered, used, occupied, improved and otherwise affected in any manner, subject to provisions of this Declaration. Each and all of the provisions are hereby declared to be in furtherance of the general plan and scheme of condominium ownership referred to above in Article I, and are further declared to be for the benefit of the Project and every party thereof, and for the benefit of each Owner. All provisions hereof shall be deemed to run with the land as covenants running with the land, or as equitable servitudes, as the case may be, and shall constitute benefits and burdens to all Owners, and if assigned to all persons hereafter acquiring or owning any interest in the Project, however such interest may be obtained.

ARTICLE V.

DIVISION OF CONDOMINIUM PROJECT INTO CONDOMINIUM UNITS.

SECTION 5.1. DIVISION. The Condominium Project is hereby divided into Condominium Units, each consisting of a separate fee simple interest in a Unit and an undivided fee simple interest in the Common Elements, as is set forth in Exhibit 1, as may be amended from time to time. Such undivided interests in the Common Elements are hereby declared appurtenant to the respective Units.

SECTION 5.2. LIMITED COMMON ELEMENTS. Limited Common Elements shall consist of balconies, decks, patios, terraces, exterior stairways and any yard or yards appurtenant to and associated with a particular Unit and identified on the Condominium Map with the same number by which such unit is identified on the Condominium Map, and any individual heating equipment and fireplaces appurtenant to and used in connection with a particular Unit. The Limited Common Elements shall be used in connection with a particular Unit to the exclusion of the use thereof by the other owners of Common Elements except by invitation.

SECTION 5.3. TITLE. Title to a Condominium Unit may be held or owned by any entity and in any manner in which title to any other real property may be held or owned in the State of Colorado, including, but without limitation, joint tenancy or tenancy in common.

SECTION 5.4. INSEPARABILITY. No part of a Condominium Unit or of the legal rights comprising ownership of a Condominium Unit may be separated from any other part thereof during the period of Condominium ownership prescribed herein, so that each Unit and the undivided interest in the Common Elements appurtenant to such Unit shall always be conveyed, leased, devised, encumbered, and otherwise affected only as a complete Condominium Unit. Every gift, devise, bequest, transfer, encumbrance, conveyance, or other disposition of a Condominium Unit or any part thereof shall be irrefutably presumed to be a gift, devise, bequest, transfer, encumbrance, or conveyance, respectively, of the entire Condominium Unit together with all appurtenant rights created by law or by this Declaration.

SECTION 5.5. PARTITION NOT PERMITTED. The Common Elements shall be owned in common by all the Owners of Condominium Units as provided by CCIOA, and no Owner may bring any action for partition thereof.

SECTION 5.6. USE OF COMMON ELEMENTS. Subject to the limitations contained in this Declaration and CCIOA, any Owner shall have the non-exclusive right to use and enjoy the General Common Elements and shall have the exclusive right to use and enjoy the Limited Common Elements designated for exclusive use by such Owner.

SECTION 5.7. EASEMENTS FOR ENCROACHMENTS. If any part of the Common Elements encroaches upon a Unit or Units, an easement for such encroachment and for the

maintenance of the same so long as it stands shall and does exist. Such encroachments shall not be considered to be encumbrances either on the Common Elements or the Units. Encroachments referred to herein include, but are not limited to, encroachments caused by error in the original construction of any Building to be constructed on the Land, by error in the Condominium Map, by settling, rising or shifting of the earth, or by changes in position caused by repair or reconstruction of the Project or any part thereof.

SECTION 5.8. EASEMENTS OF ACCESS FOR REPAIR, MAINTENANCE AND EMERGENCIES. The Owners of Units shall have the irrevocable right to be exercised by the Association as their agent, to have access to each Unit and to all Common Elements from time to time during such reasonable hours as may be necessary for the maintenance, repair or replacement of any of the Common Elements located therein or accessible therefrom or for making emergency repairs therein necessary to prevent damage to the Common Elements or to another Unit or Units. The Association shall also have such right independent of any agency relationship. Damage to the interior of any part of a Unit or Units resulting from the maintenance, repair, emergency repair, or replacement of any of the Common Elements or as a result of emergency repairs within another Unit at the instance of the Association or of Owners shall be an expense of all the Owners; provided, however, that if such damage is the result of negligence of the Owner of a Unit, then such Owner shall be financially responsible for all of such damage. Such damage shall be repaired and the property shall be restored substantially to the same condition as existed prior to damage. Amounts owing by Owners pursuant hereto shall be collected by the Association by assessment pursuant to Article X hereof.

SECTION 5.9. OWNER'S RIGHT TO INGRESS AND EGRESS AND SUPPORT. Each Owner shall have the right to ingress and egress over, upon, and across the Common Elements necessary for access to his Unit and shall have the right to the horizontal and lateral support of his Unit, and such rights shall be appurtenant to and pass with the title to each Condominium Unit.

SECTION 5.10. ASSOCIATION'S RIGHT TO USE OF COMMON ELEMENTS. The Association shall have a non-exclusive easement to make such use of the Common Elements as may be necessary or appropriate to perform the duties and functions which it is obligated or permitted to perform pursuant to this Declaration.

SECTION 5.11. EASEMENTS DEEMED CREATED. All conveyance of Condominium Units hereafter made, whether by the Declarant, or otherwise, shall be construed to grant and reserve such reciprocal easements as shall give effect to Sections 5.7 through 5.10, inclusive, above, even though no specific reference to the easements or to said Sections appears in any such conveyance.

SECTION 5.12. AD VALOREM TAXATION. As soon as possible, after the Condominium Map shall have been filed for record in Pitkin County, Colorado, Declarant shall deliver a written notice to the Assessor of Pitkin County, Colorado, as provided by law, setting

forth the descriptions of the Condominium Units so that each Condominium Unit shall be assessed separately thereafter for all taxes, assessments and other charges of the State of Colorado or of any political subdivision or of any special improvement district or of any other taxing or assessing authority. For the purpose of such assessment, the valuation of the Common Elements shall be apportioned among the Units in proportion to the fractional interests in Common Elements appurtenant to such Units. The Association shall furnish to the Assessor all necessary information with respect to such apportionment. No forfeiture or sale of any condominium Unit for delinquent taxes, assessments or other governmental charges shall divest or in any way affect the title to any other Condominium Unit.

ARTICLE VI.

CONVEYANCE AND DESCRIPTION OF A CONDOMINIUM UNIT.

SECTION 6.1. CONVEYANCE AND DESCRIPTION OF A CONDOMINIUM UNIT. Every contract, deed, lease, mortgage, deed of trust, will or other instrument affecting title to a Condominium Unit may describe that Condominium Unit by the number shown on the Condominium Map followed by the words, "Snowmass Mountain Condominiums" with further reference to the Condominium Map or Amended Condominium Map or Supplemental Condominium Map filed for record and the recorded Declaration or amended Declaration. Such description will be construed to describe the Unit, together with the appurtenant undivided interest in the Common Elements, and to incorporate all the rights incident to Ownership of a Condominium Unit and all the limitations on such ownership as described in this Declaration.

ARTICLE VII.

MECHANIC'S LIEN RIGHTS

SECTION 7.1. MECHANIC'S LIEN. No labor performed or materials furnished for use in connection with any Unit, or in connection with any improvements shall create any rights to file a statement of mechanic's lien against the Unit of any other Owner not expressly consenting to or requesting the same or against any interest in the Common Elements except as to the undivided interest therein appurtenant to the Unit of the Owner for whom such labor shall have been performed and such materials shall have been furnished. Each Owner shall indemnify and hold harmless each of the other Owners from and against any liability or loss including a reasonable attorney's fee, arising from the claim of any lien against the Condominium Unit, or any part thereof, or any other Owner or against the Common Elements for labor performed or for materials furnished in connection with the first Owner's Unit. At the written request of any Owner, the Association shall enforce such indemnity by collecting from the Owner of the Unit on which the labor was performed and materials furnished the amount necessary to discharge any such lien, including all costs incidental thereto, and obtaining a discharge of the lien, such collection shall be made by assessment pursuant to Article X.

ARTICLE VIII.

SECTION 8.1. MEMBERSHIP. Every Owner shall be entitled and required to be a member of the Association, a Colorado non-profit corporation. If title to a Condominium Unit is held by more than one person, the membership related to that Condominium Unit shall be shared by all such persons in the same proportionate interests and by the same type of tenancy in which the title to the Condominium Unit owned by him is held. An Owner shall be entitled to one membership for each Condominium Unit owned by him. Each such membership shall be appurtenant to the condominium Unit upon which it is based and shall be transferred automatically by conveyance of that Condominium Unit. No person or entity other than an Owner may be a member of the Association and the memberships in the Association may not be transferred except in connection with the transfer of a Condominium Unit. The rights of membership may be assigned however to a Mortgagee as further security for a loan secured by a lien on a Condominium Unit.

SECTION 8.2. CLASSES OF MEMBERSHIP AND VOTING RIGHTS. The number of votes per membership on all matters on which Members are entitled to vote shall be based on each Unit's allocated percentage in the common elements as appears on Exhibit 1.

SECTION 8.3. TRANSFER. Except as otherwise expressly stated herein, any of the rights, interests and obligations of the Association set forth herein or reserved herein may be transferred or assigned to any other person or entity; provided, however, that no such transfer or assignment shall relieve the Association of any of the obligations set forth herein. Any such transfer or assignment shall not revoke or change any of the rights or obligations of any Owners as set forth herein.

SECTION 8.4. AMPLIFICATION. The provisions of this Article are to be amplified by the Articles of Incorporation and By-laws of the Association; PROVIDED HOWEVER, that no such amplification shall substantially alter or amend any of the rights or obligations of the Owners set forth herein.

ARTICLE IX.

CERTAIN RIGHTS AND OBLIGATIONS OF THE ASSOCIATION.

SECTION 9.1. THE COMMON ELEMENTS. The Association, subject to the right of the Owners set forth in Article V hereof, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment if related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair; provided, however, that each Owner of a Condominium Unit shall keep the Limited Common Elements designated for use in connection with his Unit, in a good, clean, sanitary and attractive condition, and shall maintain and repair any heating equipment which are Limited Common Elements designated for use in connection with his Unit. The

Association shall be responsible for the maintenance and repair of exterior surfaces of the Buildings, including, without limitation, the painting or staining of the same as often as necessary, the replacement of trim and caulking, the maintenance and repair of roofs, the maintenance and repair of other Common Elements, including utility lines, and all other improvements or materials located within or used in connection with the Common Elements. The specifications of duties of the Association with respect to particular Common Elements shall not be construed to limit its duties with respect to other Common Elements, as set forth in the first sentence in this Section. The cost of such management, operation, maintenance and repair by the Association shall be borne as provided in Article X. Conveyance of any portion of the Common Elements may be made upon the vote of sixty-seven percent (67%) of the Owners.

SECTION 9.2. MISCELLANEOUS SERVICES. The Association may obtain and pay for the services of any person or entity to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable for the proper operation of the Project, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Project or the enforcement of this Declaration. The Association may arrange with others to furnish lighting, heating, water, trash collection, sewer service and other common services to each Unit. The cost of such services shall be borne as provided in Article X.

SECTION 9.3. PROPERTY FOR COMMON USE. The Association may acquire and hold for the use and benefit of all of the Owners real property and tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion as their respective interests in the Common Elements. Such interest shall not be transferable except with the transfer of a Condominium Unit. A transfer of a Condominium Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. Each Owner may use such property in accordance with the purpose for which it is intended, without hindering or encroaching upon the lawful rights of other Owners. The transfer of title to a Condominium Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Condominium Unit.

SECTION 9.4. RULES AND REGULATIONS. The Association may make reasonable rules and regulations governing the use of the Units and of the Common Elements, which rules and regulations shall be consistent with the rights and duties established in this Declaration. The Association may suspend any Owner's voting rights in the Association during any period or periods during which such Owner fails to comply with such rules and regulations, or with any other obligations of such Owner under this Declaration. The Association may also take judicial action against any Owner to enforce compliance with such rules, regulations or other obligations or to obtain damages for non-compliance, all to the extent permitted by law.

SECTION 9.5. IMPLIED RIGHTS. The Association may exercise any other right or privilege given to it expressly by this Declaration or by law, and every other right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

ARTICLE X

ASSESSMENTS

SECTION 10.1. AGREEMENT TO PAY ASSESSMENT. Each Owner of the Project and every part thereof, hereby covenants, and each Owner of any Condominium Unit by the acceptance of a deed therefor, whether or not it be so expressed in the deed, shall be deemed to covenant and agree with each other and with the Association to pay to the Association annual assessments made by the Association for the purposes provided in this Declaration, and special assessments for capital improvements and other matters as provided in this Declaration. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

SECTION 10.2. AMOUNT OF TOTAL ANNUAL ASSESSMENTS. The total annual assessments against all Condominium Units shall be based upon advance estimates of cash requirements by the Association to provide for the payment of all estimated expenses growing out of or connected with the maintenance and operation of the Common Elements or furnishing utility services to the Units, which estimates may include, among other things, taxes and special assessments, until the Condominium Units are separately assessed as provided herein; premiums for all insurance with the Association is required or permitted to maintain pursuant hereto; common lighting, heating, and water charges; trash collection; sewer service charges; repairs and maintenance; wages for Association employees; legal and accounting fees; any deficit remaining from a previous period; the creation of a reasonable contingency reserve, surplus and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of the Owners under or by reason of this Declaration.

SECTION 10.3 APPORTIONMENT OF ASSESSMENTS. Expenses attributable to the Common Elements and to the Project as a whole shall be apportioned among all Owners, excluding Condominium Units owned by the Association, in proportion to their respective undivided interests in the Common Elements. Assessments with regard to a Condominium Unit owned by the Association shall commence as of the date such Condominium Unit is conveyed by the Association to a third party.

SECTION 10.4. NOTICE OF ANNUAL ASSESSMENTS AND TIME FOR PAYMENT THEREOF. Annual assessments shall be made on a calendar year basis. The Association shall give written notice to each Owner as to the amount of the annual assessment with respect to his Condominium Unit prior to the beginning of the next calendar year. Such assessment shall be due and payable within thirty (30) days after written notice of the amount thereof shall have been given to the respective Owner of a Condominium Unit. Each assessment

shall bear interest from the date it becomes due and payable if not paid within thirty (30) days after such date at the yearly rate of six (6) points above the prime rate charged by the Association's bank, or such other lawful rate determined by the Association through its Board of Directors. Failure of the Association to give timely notice of any assessment as provided herein shall not affect the liability of the Owner of the Condominium Unit for such assessment, but the date when payment shall become due in such case shall be deferred to a date thirty (30) days after such notice shall have been given.

SECTION 10.5. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized by this Article, the Association may levy in any assessment year a special assessment, payable over such a period as the Association may determine, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of the Project or any part thereof, or for any other expenses incurred or to be incurred as provided in this Declaration. This Section shall not be construed as an independent source of authority for the Association to incur expenses, but shall be construed to prescribe the manner of assessing for expenses authorized by other Sections hereof which shall make specific reference to this Article. Any amounts assessed pursuant hereto shall be assessed to Owners in proportion to their respective undivided interest in the Common Elements. Notice in writing of the amount of such special assessments and the time for payment thereof shall be given promptly to the Owners, and no payment shall be due less than thirty days after such notice shall have been given. A special assessment shall bear interest at the same rate as is applicable in the case of general assessments.²

SECTION 10.6. LIEN FOR ASSESSMENTS. All sums assessed to any Condominium Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Condominium Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Condominium Unit, except only for: (a) valid tax and special assessment liens on the Condominium Unit in favor of any governmental assessing authority; and (b) a lien for all sums unpaid on a first Mortgage, or on any Mortgage to the Declarant, duly recorded in the Pitkin County, Colorado, Real Estate Records, including all unpaid obligatory advances to be made pursuant to such Mortgage and all amounts advanced pursuant to such Mortgage and secured by the lien thereof in accordance with the terms of such instrument. All other lienors acquiring liens on any Condominium Unit after this Declaration shall have been recorded in said records shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

² This language in italics was inserted pursuant to that amendment to Condominium Declaration Snowmass Mountain Condominiums signed by the President of Snowmass Mountain Condominium Association, Inc. on February 6, 1985 and recorded February 20, 1985 in Book 481, Page 709, Pitkin County records as Reception No. 266175.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Condominium Unit and a description of the Condominium Unit. Such a notice shall be signed by the Association and may be recorded in the office of the County Clerk and Recorder of Pitkin County, Colorado. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Colorado. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding, the costs and expenses of filing the notice of lien and all reasonable attorney's fees. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Condominium Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to acquire, hold, convey, lease, rent, encumber, use and otherwise deal with the same as the Owner thereof.

A release of notice of lien shall be executed by the Association and recorded in the Pitkin County, Colorado, Real Estate Records, upon payment of all sums secured by a lien which has been made the subject of a recorded notice of lien.

Any encumbrancer holding a lien on a Condominium Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

The Association shall report to any encumbrancer of a Condominium Unit any unpaid assessments remaining unpaid for longer than ninety (90) days after the same shall have become due; provided, however, that such encumbrancer shall first have furnished to the Association written notice of such encumbrance.

SECTION 10.7. PERSONAL OBLIGATION OF OWNER. The amount of any annual or special assessment against any Condominium Unit shall be the personal obligation of the Owner thereof to the Association. Suit to recover a money judgment for such personal obligation shall be maintainable by the Association without foreclosing or waiving the lien securing the same, in which event the Association shall be entitled to recover its costs and reasonable attorneys' fees as a part of any judgment made in any such suit. No Owner may avoid or diminish any personal obligation by waiver of the use and enjoyment of any of the Common Elements or by abandonment of his Condominium Unit.

SECTION 10.8. STATEMENT OF ACCOUNT. Upon payment of a reasonable fee as established by the Association and upon written request of any Owner or any Mortgagee, prospective Mortgagee or prospective purchaser of a Condominium Unit, the Association shall issue a written statement setting forth the amount of the unpaid assessments, if any, with respect

to such Condominium Unit; the amount of the current yearly assessment and the date that such assessment becomes or became due; credit for advanced payment or prepaid items, including but not limited to, an Owner's share of prepaid insurance premiums; and such statement shall be conclusive upon the Association in favor of persons who rely thereon in good faith. Unless such request for a statement of account shall be complied with within twenty (20) days, all unpaid assessments which became due prior to the date of making such request shall be subordinate to the lien of a Mortgagee which acquired its interest subsequent to requesting such statement. Where a prospective purchaser makes such request, both the lien for such unpaid assessment and the personal obligations of the purchaser shall be released automatically if the statement is not furnished within the twenty-day period provided herein and thereafter an additional written request is made by such purchaser and is not complied with within ten (10) days, and the purchaser subsequently acquires the Condominium Unit.

SECTION 10.9. PERSONAL LIABILITY OF PURCHASER FOR ASSESSMENTS.

Subject to the provisions of Section 10.8, a purchaser of a Condominium Unit shall be jointly and severally liable with the seller for all unpaid assessments against the Condominium Unit up to the time of the grant or conveyance, without prejudice to the purchaser's right to recover from the seller the amount paid by the purchaser for such assessments.

ARTICLE XI.

USE OF CONDOMINIUM UNITS

SECTION 11.1. RESIDENTIAL. Each Condominium Unit shall be used solely for residential purposes and no trade or business of any kind whatsoever may be carried on therein. Lease or rental of a Condominium Unit for lodging or residential purposes shall not be considered to be a violation of this covenant.

SECTION 11.2. USE OF COMMON ELEMENTS. There shall be no obstruction of the Common Elements, nor shall anything be stored on or in any part of the Common Elements without the prior written consent of the Association, except as specifically provided herein. Nothing shall be altered, constructed in, or removed from, the Common Elements except upon the prior written consent of the Association.

SECTION 11.3. PROHIBITION OF DAMAGE AND CERTAIN ACTIVITIES. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would result in the cancellation of the insurance on the Project or any part thereof or which would result in any increase in the rate of the insurance on the Project or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Association. Nothing shall be done or kept in any Unit or in the Common Elements or any part thereof which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body.

SECTION 11.4. MAINTENANCE OF INTERIORS. Each Owner shall keep the interior of his Unit, including, without limitation, interior walls, windows, glass, ceilings, floors and permanent fixtures and appurtenances thereto, in a clean, sanitary and attractive condition and good state of repair.

SECTION 11.5. ANIMALS. The Association may, by rules and regulations, prohibit or limit the raising, breeding, or keeping of animals in any Unit or on the Common Elements or any part thereof.

SECTION 11.6. RULES AND REGULATIONS. No Owner shall violate the rules and regulations for use of the Units and of the Common Elements as adopted from time to time by the Association.

SECTION 11.7. STRUCTURAL ALTERATIONS. No structural alterations to any Unit shall be made, and no plumbing, electrical or similar work within the Common Elements shall be done, by any Owner without the prior written consent of the Association.

ARTICLE XII

INSURANCE

SECTION 12.1. TYPES OF INSURANCE. The Association shall obtain and keep in full force and effect at all times the following insurance coverage provided by companies duly authorized to do business in Colorado. The provisions of this Article shall not be construed to limit the power or authority of the Association to obtain and maintain insurance coverage, in addition to any insurance coverage required hereunder, in such amounts and in such forms as the Association may deem appropriate from time to time.

(a) Casualty Insurance. The Association shall obtain insurance on the Project in such amounts as shall provide for full replacement thereof in the event of damage or destruction from the casualty against which such insurance is obtained, all in the manner in which a corporation owning similar multiple family residential buildings in the vicinity of the Project would, in the exercise of prudent business judgment, obtain such insurance. Such insurance shall include fire and extended coverage, vandalism and malicious mischief, war risk insurance if available and if deemed appropriate by the Association, and such other risks and hazards against which the Association shall deem it appropriate to provide insurance protection. The Association may comply with the above requirements by the purchase of blanket coverage and may elect such "deductible" provisions as in the Association's opinion are consistent with good business practice.

(b) Public Liability and Property Damage Insurance. The Association shall purchase broad form comprehensive liability coverage in such amounts and in such forms as it

deems advisable to provide adequate protection. Coverage shall include, without limitation, liability for personal injuries, operation of automobiles on behalf of the Association, and activities in connection with the ownership, operation, maintenance and other use of the Project.

(c) Workmen's Compensation and Employer's Liability Insurance. The Association shall purchase workmen's compensation and employer's liability insurance and all other similar insurance in respect to employees of the Association in the amounts and in the forms now or hereafter required by law.

(d) Fidelity Insurance. The Association shall purchase, in such amounts and in such forms as it shall deem appropriate, coverage against dishonesty of employees, destruction or disappearance of money or securities, and forgery.

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

SECTION 12.2. PERSONAL PROPERTY CASUALTY INSURANCE. The Association may in its discretion elect to obtain insurance on the personal property and furnishings initially placed in the Units of Owners by Declarant upon completion of construction of the Project in such amounts as shall provide for the full replacement thereof in the event of damage or destruction from casualty against which such insurance is obtained.

SECTION 12.3. FORM. Casualty insurance shall be carried in a form or forms naming the Association the insured, as trustee for the Owners and for Declarant, whether or not it is an Owner, which policy or policies shall specify the interest of each Condominium Unit Owner (Owner's name, Unit number, the appurtenant undivided interest in the Common Elements) and which policy or policies shall provide a standard, non-contributory mortgagee clause in favor of each first Mortgagee which from time to time shall give notice to the Association of such first Mortgage. Each policy also shall provide that it cannot be canceled by either the insured or the insurance company until after ten (10) days' prior written notice is first given to each Owner, to Declarant and to each first Mortgagee. The Association shall furnish to each Owner a true copy of such policy together with a certificate identifying the interest of the Owner. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of breach of warranty, act, omission, negligence or non-compliance with any provision of such policy, including payment of the insurance premium applicable to that Owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy. All policies of insurance shall provide further that the insurance under any such policy, as to the interest of all other insured Owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Public liability and property damage insurance shall name the Association the insured, as trustee for the Owners and for Declarant, whether or not it is an Owner, and shall protect each Owner and Declarant against liability for acts of the Association in connection with the ownership, operation, maintenance or other use of the Project.

SECTION 12.4. OWNER'S RESPONSIBILITY. Insurance coverage on the furnishings initially placed in the Unit by Declarant, except to the extent that the Association pursuant to Section 12.2 hereof elects to arrange for casualty insurance, and regardless of the Association's election, insurance coverage against loss from theft on all personal property placed in the Unit by Owner, and casualty and public liability insurance coverage within each individual Unit and for activities of the Owner, not acting by the Association, with respect to the Common Elements, shall be the responsibility of the respective Owners.

SECTION 12.5. INSURANCE PROCEEDS. The Association shall receive the proceeds of any casualty insurance payments received under policies obtained and maintained pursuant to this Article. To the extent that reconstruction is required herein, the proceeds shall be used for such purposes. To the extent that reconstruction is not required herein and there is a determination that the Project shall not be rebuilt, the proceeds shall be distributed in the same manner herein provided in the event of sale of obsolete Units, as set forth in Section 14.4.

SECTION 12.6. OWNER'S OWN INSURANCE. Notwithstanding the provisions of Section 12.1 and Section 12.2 hereof, each Owner may obtain insurance at his own expense providing coverage upon his Condominium Unit, his personal property, for his personal liability, and covering such other risks as he may deem appropriate, but each such policy shall provide that it does not diminish the insurance carrier's coverage for liability arising under insurance policies which the Association obtains pursuant to this Article. All such insurance of the Owner's Condominium Unit shall waive the insurance company's right of subrogation against the Association, the other Owners, and the servants, agents, guests of any of them, if such insurance can be obtained in the normal practice without additional premium charge for the waiver of rights of subrogation.

ARTICLE XIII

CASUALTY DAMAGE OR DESTRUCTION

SECTION 13.1. AFFECTS TITLE. Title to each Condominium Unit is hereby made subject to the terms and conditions hereof, which bind all Owners, whether or not it be so expressed in the deed by which any Owner acquired his Condominium Unit.

SECTION 13.2. ASSOCIATION AS AGENT. All of the Owners irrevocably constitute and appoint the Association their true and lawful agent in their name, place and stead for the purpose of dealing with the Project upon its damage or destruction as hereinafter provided. Acceptance by any grantee of a deed from the Declarant or from any Owner shall constitute

appointment of the attorney in fact herein provided.

SECTION 13.3. GENERAL AUTHORITY OF ASSOCIATION. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed, or other instrument with respect to the interest of a Condominium Unit Owner which may be necessary or appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraphs mean restoring the Project to substantially the same condition in which it existed prior to damage, with each Unit and the Common Elements having substantially the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction unless the Owners unanimously agree not to rebuild in accordance with the provisions set forth hereinafter.

SECTION 13.4. ESTIMATE OF COSTS. As soon as practicable after an event causing damage to, or destruction of, any part of the Project, the Association shall obtain estimates that it deems reliable and complete of the costs of repair or reconstruction of that part of the Project damaged or destroyed.

SECTION 13.5. REPAIR OR RECONSTRUCTION. As soon as practicable after receiving these estimates, the Association shall diligently pursue to completion the repair or reconstruction of the part of the Project damaged or destroyed. The Association may take all necessary or appropriate action to effect repair or reconstruction, as attorney in fact for the Owners, and no consent or other action by any Owner shall be necessary in connection therewith. Such repair or reconstruction shall be in accordance with the original plans and specifications of the Project or may be in accordance with any other plans and specifications the Association may approve, provided that in such latter event the number of cubic feet and the number of square feet of any Unit may not vary by more than five percent (5%) from the number of cubic feet and the number of square feet for such Unit as originally constructed pursuant to such original plans and specifications, and the location of the building shall be substantially the same as prior to damage or destruction.

SECTION 13.6. FUNDS FOR RECONSTRUCTION. The proceeds of any insurance collected shall be available to the Association for the purpose of repair or reconstruction. If the proceeds of the insurance are insufficient to pay the estimated or actual cost of such repair or reconstruction, the Association, pursuant to Article X hereof, may levy in advance a special assessment sufficient to provide funds to pay such estimated or actual costs of repair or reconstruction. Such assessment shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the repair or reconstruction.

SECTION 13.7. DISBURSEMENT OF FUNDS FOR REPAIR OR RECONSTRUCTION. The insurance proceeds held by the Association and the amounts received from the assessments provided for in Section 13.6 constitute a fund for the payment of

cost of repair and reconstruction after casualty. It shall be deemed that the first money disbursed in payment for cost of repair or reconstruction shall be made from insurance proceeds; if there is a balance after payment of all costs of such repair or reconstruction, such balance shall be distributed to the Owners in proportion to the contributions each Owner made pursuant to the assessments the Association made under Section 13.6 of this Declaration.

SECTION 13.8. DECISION NOT TO REBUILD. If sixty-seven percent (67%) of the Owners of Condominium Units agree not to rebuild, as provided herein, the Project shall be sold and the proceeds distributed in the same manner herein provided in the event of sale of obsolete Units, as set forth in Section 14.4, and said sale shall be free and clear of the provisions of this Declaration and Condominium Map and the By-laws of the Association.

ARTICLE XIV.

OBSOLESCENCE

SECTION 14.1. ADOPTION OF A PLAN. The Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Units may agree that the Project is obsolete and adopt a written plan for the renewal and reconstruction. Written notice of adoption of such a plan shall have been given to all Owners. Such plan shall be recorded in the Pitkin County, Colorado Real Estate Records.

SECTION 14.2. PAYMENT FOR RENEWAL AND RECONSTRUCTION. The expense of renewal or reconstruction shall be payable by all of the Owners as assessments against their respective Condominium Units. These assessments shall be levied in advance pursuant to Article X hereof and shall be allocated and collected as provided in that Article. Further levies may be made in like manner if the amounts collected prove insufficient to complete the renewal and reconstruction.

SECTION 14.3. DISSENTS FROM THE PLAN. An Owner not a party to such a plan for renewal or reconstruction may give written notice of dissent to the Association within fifteen (15) days after the recordation of such plan. The Association shall then give written advice of such dissents to all the Owners within five (5) days after the expiration of such fifteen day period. Within fifteen (15) days of receipt of such notice from the Association the Owners representing an aggregate ownership of more than thirty-three percent (33%) of the Units may cancel the plan by written instrument recorded in the Pitkin County, Colorado, Real Estate Records. If the plan is not canceled, then the Condominium Units of each dissenter shall be purchased according to the following procedures. If the Owner and the Association can agree on the fair market value thereof, then such sale and conveyance shall be completed within sixty (60) days thereafter. If the parties are unable to agree, the date when either party notifies the other that he or it is unable to agree with the other shall be the "commencing date" from which all periods of time mentioned herein shall be measured. Within ten (10) days following the commencing date, each party shall nominate a qualified appraiser by written nomination and shall give notice of such nomination to

the other. If either party fails to make such nomination, the appraiser nominated shall, within five (5) days after default by the other party, appoint and associate with him another qualified appraiser. If the two appraisers designated by the parties or selected pursuant hereto in the event of default of one party are unable to agree, they shall appoint another qualified appraiser to be umpire between them, if they can agree on such person. If they are unable to agree upon such umpire, then each appraiser previously appointed shall nominate two qualified appraisers, and from the names of the four persons so nominated one shall be drawn by lot by judge of any court of record in Colorado, and the person whose name is so drawn shall be the umpire. The nominations from among which the name of the umpire is to be drawn by lot shall be submitted within ten (10) days of the failure of the two appraisers to agree, which, in any event, shall not be later than twenty (20) days following the appointment of the second appraiser. The decision of the appraisers as to the fair market value, or in the case of their disagreement, the decision of such umpire shall be final and binding. The expenses and fees of such appraisers shall be borne equally by the Association and the Owner. The sale shall be consummated within sixty (60) days after decision of the appraisers, and the Association as attorney in fact shall disburse the proceeds first to lienors in the order of the priority of their liens and the balance remaining to the Condominium Unit Owner. The obligation of the Association to make such purchase shall be conditioned on the fair market value of the Condominium Unit exceeding the obligations secured by liens on such Condominium Unit, and upon the marketability of the title of the Owner. Owner shall furnish the Association an appropriate abstract of title or commitment for title insurance evidencing marketability of his title not less than fifteen (15) days prior to the date set for completion of the sale.

The Association, pursuant to Article X hereof, may levy a special assessment sufficient to provide funds to pay for the Condominium Units of the dissenters, provided that such assessments shall not be liens against the Condominium Unit of such Owners.

SECTION 14.4. SALE OF OBSOLETE UNITS. The Owners representing an aggregate ownership interest of sixty-seven percent (67%) or more of the Units may agree that the Condominium Units are obsolete and that the Project should be sold. In such instance the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association the Project shall be sold by the Association as attorney in fact for all of the Owners free and clear of the provisions contained in this Declaration, the Condominium Map and the By-laws of the Association. The proceeds of sale shall be apportioned among the Owners in proportion to the respective undivided interest in the Common Elements, and such apportioned proceeds shall be paid into separate accounts, each such account representing one Condominium Unit. Each such account shall remain in the name of the Association, and shall be further identified by the Condominium Unit designation and the name of the Owner. From each separate account the Association, as attorney in fact, shall use and disburse the total amount of such accounts without contribution from one account to the other, first to the lienors in the order of priority of their liens and the balance remaining to each respective Owner.

SECTION 14.5. DISTRIBUTION OF EXCESS. In the event amounts collected pursuant to Section 14.2 are in excess of the amounts required for renewal and reconstruction, the excess shall be returned to the Owners by the Association by a distribution to each Owner in an amount proportionate to the respective amount collected from each such Owner.

ARTICLE XV

CONDEMNATION

SECTION 15.1. CONSEQUENCES OF CONDEMNATION. If at any time or times during the continuance of the Condominium ownership pursuant to this Declaration, all of any part of the Project shall be taken or condemned by any public authority or sold or otherwise disposed of in lieu of or in avoidance thereof, the following provisions of this Article shall apply.

SECTION 15.2. PROCEEDS. All compensation, damages, or other proceeds therefrom, the sum of which is hereinafter called the "Condemnation Award," shall be payable to the Association.

SECTION 15.3. COMPLETE TAKING.

(a) In the event that the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership pursuant hereto shall terminate. The Condemnation Award shall be apportioned among the Owners on the same basis of each Owner's percentage interest in the Common Elements provided that if a standard different from the value of the Project as a whole is employed as the measure of the Condemnation Award in the negotiation, judicial decree or otherwise, then in determining such shares the same standard shall be employed to the extent it is relevant and applicable.

(b) On the basis of the principle set forth in the last preceding paragraph, the Association shall, as soon as practicable, determine the share of the Condemnation Award to which each Owner is entitled. Such shares shall be paid into separate accounts and disbursed as soon as practicable in the same manner provided in Section 14.4 hereof.

SECTION 15.4. PARTIAL TAKING. In the event that less than the entire Project is taken or condemned, or sold or otherwise disposed of in lieu of or in avoidance thereof, the condominium ownership hereunder shall not terminate. Each Owner shall be entitled to a share of the Condemnation Award to be determined in the following manner: As soon as practicable the Association shall, reasonably and in good faith, allocate the Condemnation Award between compensation, damages, or other proceeds, and shall apportion the amounts so allocated among the Owners, as follows: (a) the total amount allocated to taking of or injury to the Common Elements shall be apportioned among the Owners on the basis of each Owner's percentage interest respectively in the Common Elements, (b) the total amount allocated to severance damages shall be apportioned to those Condominium Units which were not taken or condemned,

(c) the respective amounts allocated to the taking of or injury to a particular Unit and to improvements an Owner has made within his own Unit shall be apportioned to the particular Unit involved, and (d) the total amount allocated to consequential damages and any other takings or injuries shall be apportioned as the Association determines to be equitable in the circumstances. If an allocation of the Condemnation Award is already established in negotiation, judicial decree, or otherwise, then in allocating the Condemnation Award the Association shall employ such allocation to the extent it is relevant and applicable. Distribution of apportioned proceeds shall be disbursed as soon as practicable by checks payable jointly to the respective Owners and their respective Mortgagees.

SECTION 15.5. REORGANIZATION. In the event a partial taking results in the taking of a complete Unit, the Owner thereof automatically shall cease to be a member of the Association. Thereafter, the Association shall reallocate the ownership, voting rights, and assessment ratio determined in accordance with this Declaration according to the same principles employed in this Declaration at its inception and shall submit such reallocation to the Owners of remaining Units for amendment of this Declaration as provided in Article XVII hereof.

SECTION 15.6. RECONSTRUCTION AND REPAIR. Any reconstruction and repair necessitated by condemnation shall be governed by the procedures specified in Article XIII hereof.

ARTICLE XVI

EXPANSION

SECTION 16.1. RIGHT TO EXPAND. The Owners hereby reserve the right to expand this Project to include an additional Building or Buildings.

SECTION 16.2. SUPPLEMENTAL DECLARATIONS AND SUPPLEMENTAL CONDOMINIUM MAPS. Such expansion may be accomplished by the filing for record in the Pitkin County, Colorado, real estate records, of a supplement or supplements to this Declaration containing a legal description of the site or sites for a new Building or Buildings, together with a supplemental condominium map or maps containing the same information with respect to the additional Buildings as was required on the original Condominium Map with respect to the initial Project.

SECTION 16.3. EXPANSION OF DEFINITIONS. In the event of such expansion the definitions used in this Declaration automatically shall be expanded to encompass and refer to the Project as so expanded. E.g., "Land" shall mean any additional real property added by a Supplemental Condominium Declaration or by Supplemental Condominium Declarations as so supplemented. All conveyances of Condominium Units after such expansion shall be effective to transfer rights in the Project as expanded, by use of the form of description set forth in Article VI hereof, with additional references to the Supplemental Condominium Declaration and the

Supplemental Condominium Map. The recordation in the Pitkin County, Colorado, Real Estate Records of a Supplemental Condominium Map incident to any expansion shall operate automatically to grant, transfer and convey to then Owners of Condominium Units in the Project as it existed before such expansion the respective undivided interest set forth in Exhibit 1 hereto in the new Common Elements added to the Project as a result of such expansion. Such recordation shall also operate to vest in any then Mortgagee of any Condominium Unit in the Project as it existed before such expansion a security interest in the undivided interest so acquired by the Owner of the Condominium Unit encumbering the new Common Elements added to the Project as a result of such expansion.

SECTION 16.4. DECLARATION OPERATIVE ON NEW BUILDINGS. The new Buildings shall be subject to all the terms and conditions of this Declaration and of a Supplemental Declaration, and the Condominium Units therein shall be subject to condominium ownership with all the incidents pertaining thereto as specified herein, upon placing the Supplemental Condominium Map and Supplemental Condominium Declaration of public record in the Pitkin County, Colorado, Real Estate Records.

SECTION 16.5. FRACTIONAL UNDIVIDED INTERESTS IN COMMON ELEMENTS: DISPOSITION OF REMAINDER OF COMMON ELEMENTS. The individual interests in the common elements appurtenant to this condominium ownership project are set forth on Exhibit 1 attached hereto. In the event the Project is expanded and additional Units become part of the Project, Exhibit 1 shall be recalculated and adjusted by the Board of Directors so that the expenses of the Project shall be proportionately and equitably allocated among the existing Units and the additional Units. Such recalculation shall be based on the additional square footage upon which a certificate of occupancy is issued by the local governing body for such additional Units. The percentage of each Unit shall be recalculated based on the numerator of which shall be the square footage of each Condominium Unit and the denominator of which shall be the total square footage of the Project computed by adding the square footage of an additional Unit to the total as shown on Exhibit 1. As promptly as practicable after such recalculation is made, the officers of the Association shall cause an amended Exhibit 1 to be filed in the office of the Pitkin County Clerk and Recorder.

ARTICLE XVII.

RIGHT OF FIRST REFUSAL

SECTION 17.1.³ RIGHT OF FIRST REFUSAL BY OWNERS. In the event that any Owner of a Condominium Unit other than the Declarant shall wish to sell or lease the same, and shall have entered into a bonafide contract therefor with a prospective purchaser or tenant,

³ This Section 17.1 was deleted and replaced in its entirety by the Amendment to Condominium Declaration recorded February 20, 1985 in Book 481 at Page 709. The language in bold and italics reflects the language that was amended in 1985.

including with another Owner, the selling or leasing Owner shall give written notice thereof to the remaining Owners, together with a copy of such contract and such notice and copy shall also be delivered to the Association. The remaining Owners, individually or collectively, shall have the right to purchase or lease the Unit upon the same terms and conditions set forth in the contract, provided written notice of such election to purchase or lease is given to the selling or leasing Owner or his agent, together with a matching down payment or deposit during the twenty (20) day period immediately following the giving of notice of the contract to purchase or lease in the manner prescribed in Section 20.2 hereinbelow (i.e., notice deemed given, regardless of actual receipt, when deposited in the United States mail in proper form), and provided the initial contract was not with any Owner. Such notice shall also be delivered to the Association. The right of first refusal herein provided shall not apply to leases or subleases having a term of less than one (1) year. Nothing herein shall be construed as preventing the selling or leasing Owner and the initial prospective purchaser or tenant, prior to the date of the giving of notice to the remaining owners of their right first to purchase, from agreeing mutually to rescind their contract, in which case no notice to the remaining owners need be given, or amend their contract in which case notice to the remaining Owners shall be accompanied by a copy of the amended contract. In the event none of the remaining Owners exercise their right first to lease or purchase during the period and in the manner hereinabove set forth, the selling or leasing Owner and the initial prospective purchaser or tenant shall thereafter be entitled mutually to agree among themselves to amend the terms and conditions upon which the sale or leasing of the unit is to close without thereby reinitiating the right of first refusal provisions insofar as the remaining unit Owners are concerned, except with respect to those remaining Owners who within the twenty (20) day period above set forth have reserved their right first to purchase or lease as against any amended contract by notice of such reservation to the selling or leasing Owner or his agent, in which event those remaining Owners who have so reserved shall have the right first to purchase or lease upon the amended terms and conditions, which right shall be exercisable during the twenty (20) day period following the giving of notice, as above-defined, of such amended terms and conditions and in the manner above-described.

SECTION 17.2. EXEMPTION FROM RIGHT OF FIRST REFUSAL. In the event of any default on the part of any Owner under any first mortgage which entitles the holder thereof to foreclose same, any sale under such foreclosure, including delivery of a deed to the first mortgagee in lieu of such foreclosure, shall be made free and clear of the provisions of Section 17.1, and the purchaser, or grantee under such deed in lieu of foreclosure of such Condominium Unit shall be thereupon and thereafter subject to the provisions of this Declaration and the By-Laws. If the purchaser following such foreclosure sale, or grantee under deed given in lieu of such foreclosure, shall be the then holder of the first mortgage, or its nominee, the said holder or nominee may thereafter sell and convey the Condominium Unit free and clear of the provisions of Section 17.1 by its grantee shall thereupon and thereafter be subject to all of the provisions thereof.

The following transfers are also exempt from the provisions of Section 17.1:

(a) The transfer or conveyance by operation of law or otherwise of the interest of any Unit Owner or any other Co-Owner of the same Unit, where such co-owners hold title to such Unit as tenants in common or as joint tenants;

(b) The transfer of an Owner's interest by treasurer's deed pursuant to a sale for delinquent taxes.

(c) The transfer of a decedent's interest to a devisee or devisees by will or to his heirs at law under intestacy laws;

(d) The transfer of all or any part of a partner's interest as a result of withdrawal, death, or otherwise, to the remaining partners carrying on the partnership business and/or to a person or persons becoming partners; a transfer of all or part of a partner's or partners' interests between one or more partners and/or to persons becoming partners;

(e) The transfer of a corporation's interest to the persons formerly owning the stock of the corporation as the result of a dissolution; a transfer to the resulting entity following a corporate merger or consolidation; provided, however, that at least fifty percent (50%) of the stock of the resulting entity is owned by the stockholders of the corporation formerly owning the Condominium Unit;

(f) A transfer by gift.

If the Owner of a Condominium Unit can establish to the satisfaction of the Association that a proposed transfer is not a sale or lease, then such a transfer shall not be subject to the provisions of Section 17.1.

SECTION 17.3. CERTIFICATE OF COMPLIANCE- RIGHT OF FIRST REFUSAL.

Upon written request of any prospective transferee, purchaser, tenant, or an existing or prospective Mortgagee of any Condominium Unit, the Association shall forthwith, or where time is specified at the end of the time, issue a written and acknowledged certificate in recordable form, evidencing:

(a) With respect to a proposed lease or sale under Section 17.1 that proper notice was given by the selling or leasing Owner and that the remaining Owners did not elect to exercise their option to purchase or lease;

(b) With respect to a deed to a first Mortgagee or its nominee, pursuant to Section 17.2, that the deeds were in fact given in lieu of foreclosure and were not subject to the provisions of Section 17.1;

(c) With respect to any contemplated transfer which is not in fact a sale or lease, that the transfer will not be subject to the provisions of Section 17.1.

Such a certificate shall be conclusive evidence of the facts contained therein.

ARTICLE XVIII

REVOCATION OR AMENDMENT TO DECLARATION

SECTION 18.1. REVOCATION OR AMENDMENT TO DECLARATION. This Declaration shall not be revoked nor shall any of the provisions herein be amended unless the Owners representing an aggregate voting interest in sixty-seven percent (67%) or more of the Project (as reflected on the Real Estate Records) appearing in such records and covering or affecting any or all of the Condominium Units, consent and agree to such revocation or amendment by instruments duly recorded. Nothing contained in this Article shall be construed to preclude or in any way limit the ability to supplement this Declaration and/or the Condominium Map as provided in Article XVI hereof.

ARTICLE XIX

PERIOD OF CONDOMINIUM OWNERSHIP

SECTION 19.1. PERIOD OF CONDOMINIUM OWNERSHIP. The separate estates created by this Declaration and the Map shall continue until this Declaration shall be revoked or until its provisions shall terminate as provided herein.

ARTICLE XX

MISCELLANEOUS

SECTION 20.1. COMPLIANCE WITH PROVISIONS OF DECLARATION AND ARTICLES OF INCORPORATION AND BY-LAWS OF THE ASSOCIATION. Each Owner shall comply with the provisions of this Declaration, the Articles of Incorporation and By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due, damages or injunctive relief or both, costs and expenses of such proceeding and all reasonable attorney's fees. Such action shall be maintainable by the Association on behalf of the Owners.

SECTION 20.2. REGISTRATION OF MAILING ADDRESS: NOTICES. Each Owner shall register his mailing address with the Association and all notices, requests or demands intended to be served upon any Owner except for budget statements, notices of meetings and other routine notices, shall be sent by either registered or certified mail, postage prepaid,

addressed in the name of the Owner at such registered mailing address. Unless otherwise provided herein, budget statements, notices of meetings and other routine mail may be sent by regular mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. All notices, requests, or demands intended to be served upon the Association shall be given by registered or certified mail, postage prepaid, to the address of the Association as designated in the Articles of Incorporation or By-Laws of the Association. All notices, requests or demands to be served on Mortgagees pursuant hereto shall be sent by either registered or certified mail, postage prepaid, addressed in the name of the Mortgagee, at such address as the Mortgagee may have furnished to the Association in writing. Unless the Mortgagee furnished the Association with such address, the Mortgagee shall be entitled to receive none of the notices provided for in this Declaration. Any notice referred to in this Section shall be deemed given when deposited in the United States mail in the form provided for in this Section.

SECTION 20.3. OWNER'S OBLIGATIONS CONTINUE. All obligations of the Owner under and by virtue of the provisions contained in this Declaration shall continue, notwithstanding that he may have conveyed, leased, or rented said interest as provided herein, but the Owner of a Condominium Unit shall have no obligation for expenses or other obligations accruing after he conveys such Condominium Unit.

SECTION 20.4. SEVERABILITY. If any of the provisions of this Declaration or any paragraph, sentence, clause, phrase, or word, or the application thereof, in any circumstances, be invalidated, such invalidity shall not affect the validity of the remainder of the Declaration.

SECTION 20.5. STATUTE. The provisions of this Declaration shall be in addition and supplemental to the Condominium Ownership Act of the State of Colorado, the Colorado Common Interest Ownership Act and to all other provisions of laws at this time duly enacted and in force and effect.

SECTION 20.6. NUMBER AND GENDER. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural the singular, and the use of any gender shall include all genders.

SECTION 20.7. SECTION HEADINGS. The Section Headings are for convenience of reference only, and are not intended to limit, enlarge, change, or otherwise affect the content, meaning, or intent of this Declaration or any section or provision hereof.

THIS DECLARATION is executed on the 8th day of April, 2008.

SNOWMASS MOUNTAIN CONDOMINIUM
ASSOCIATION, INC.

By: /s/ George Falk
George Falk, President

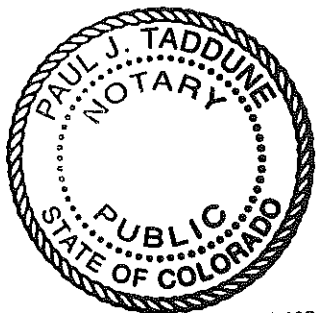


STATE OF COLORADO)
) ss.
COUNTY OF PITKIN)

The foregoing instrument was acknowledged before me this 8th day of April, 2008 by GEORGE FALK, as President of the Snowmass Mountain Condominium Association.

WITNESS my hand and official seal.

My commission expires: 10/7/2009



My Commission Expires 10/07/2009



Notary Public

EXHIBIT 1

UNIT	INT SQ FT	% TOTAL
A1	947	1.43%
A2	966	1.46%
A3	1014	1.53%
A4	1427	2.15%
A5	1424	2.15%
B1	1009	1.52%
B2	964	1.46%
B3	1369	2.07%
B4	1312	1.98%
C1	971	1.47%
C2	1006	1.52%
C3	1304	1.97%
C4	1368	2.06%
D1	1009	1.52%
D2	978	1.48%
D3	1434	2.16%
D4	1305	1.97%
E1	964	1.45%
E2	1015	1.53%
E3	1351	2.04%
E4	1368	2.07%
F1	981	1.48%
F2	950	1.43%
F3	1389	2.10%
F4	1282	1.94%
G1	936	1.41%
G2	983	1.48%
G3	1313	1.98%
G4	1376	2.08%
H1	939	1.42%
H2	816	1.23%
H3	996	1.50%
H4	958	1.45%
H5	1407	2.12%
H6	1307	1.97%
I1	935	1.41%
I2	929	1.40%
I3	948	1.43%
I4	990	1.49%
I5	1289	1.95%
I6	1352	2.04%
J1	933	1.41%
J2	844	1.27%
J3	1011	1.53%
J4	960	1.45%
J5	1408	2.12%
J6	1475	2.23%
K1	932	1.41%

K2	934	1.41%
K3	951	1.44%
K4	994	1.50%
K5	1320	1.99%
K6	1396	2.11%
L1	933	1.41%
L2	829	1.25%
L3	990	1.49%
L4	998	1.51%
L5	1391	2.10%
L6	1381	2.08%
<hr/> 66257 <hr/>		<hr/> 100.00% <hr/>


CERTIFICATE OF AMENDMENT

In accordance with Article XVIII of the Condominium Declaration for Snowmass Mountain Condominiums recorded January 14, 1974 in Book 283 at Page 341 as Reception No. 16483 and the First Amendment to Condominium Declaration recorded February 20, 1985 in Book 481 at Page 709 as Reception No. 266175, Pitkin County real estate records, the following Unit Owners comprising the Members of the Snowmass Mountain Condominium Association, Inc. holding an aggregate voting interest in sixty-seven percent (67%) or more of the Snowmass Mountain Condominiums Project as appearing in the Pitkin County real estate records consented to the foregoing Amended Condominium Declaration for Snowmass Mountain Condominiums at the Annual Meeting held on August 18, 2007 and continuation of the Annual Meeting held on January 25, 2008, as further continued to March 28, 2008:

C3	David Anderson
H5	Allen and Andi Barnard
B4	Michael and Ginny Bolger
L3	Rau and Rebecca Chang
L5	George and Sylvia Falk
E4	Marie Fitzgerald
J1	Bruce and Greer Fox
H6	Dennis P. Gallagher
J3	Russell and Nona Jones
J6	Mike and Kathy Mitchell
D4	Jeffrey Rappin
K6	Lori McCool
G3	William Argeros
C2	Thomas Kwiatkowski
H3	Albert and Rita Lacher
K4	Galen Bright
A5	John and Mary Beerling
B2	Melissa Temple
L2	Bass-Merting Snowmass
E1	Landadenial Land Investment LLC
B3	Charles and Joyce Pierce
F3	Phillip and Kate Soper
H4	Uwe and Elizabeth Staerz
F1	Daniel and Sheila Teitelbaum
G4	Tracy Krantz
E2	Raymond and Elizabeth Wolf
B1	Mary and Lawrence Bandor
J5	Laura Adler
A3	Joan and Carl Vill
G2	Christopher Madigan
C1	Michael Husaluk
H2	Kirk Samsel
K3	Dennis Burrill
L1	Jason Adams

C4 Emily A. Cole Trust
 I4 Harvey and Carole Federman
 L4 Mark S. and Sandra C. Rothman
 H1 Krista Eddy and Joe Freeman
 I3 Judi Kava
 I2 Robert Leavitt
 E3 Eric Loeb
 A1 Douglas Mercatoris
 K5 Howard and Roanna Handy
 I5 Ed and Heather Garrabrant
 K1 Sheri E. Slesinger
 J4 Mark Hooper
 F2 Brian Sledge
 A2 S. Jaros
 L6 Jack Meyerson
 K2 Brad Stevenson

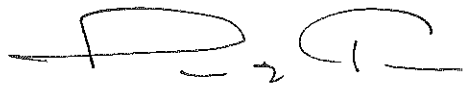
SNOWMASS MOUNTAIN CONDOMINIUM
ASSOCIATION, INC.

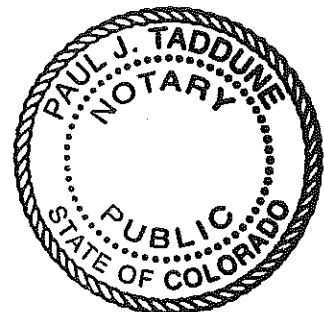
By: 
George Falk, President

STATE OF COLORADO)
) ss.
 COUNTY OF PITKIN)

The foregoing Certificate of Amendment was acknowledged before me this 8th day of April, 2008 by George Falk as President of Snowmass Mountain Condominium Association, Inc. WITNESS my hand and official seal.

My commission expires: 10/7/2009


NOTARY PUBLIC



My Commission Expires 10/07/2009