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CONDOMINIUM DECLARATION
OF
RICHARDSON SQUARE CONDOMINIUMS

THIS DECLARATION, made on the date hereinafter set forth, by the RICHARDSON HALL RESIDENCES, JOINT VENTURE, a Colorado joint venture, whose address is 229 Spring Meadows, Gunnison, Colorado 81230 ("Declarant").

RECITALS

- A. Declarant is the owner of certain real estate in the County of Gunnison, State of Colorado, which is more particularly described as set forth in Exhibit A, attached hereto and by reference made a part hereof; and
- B. Declarant desires to create a Condominium Common Interest Community on the real estate described in Exhibit A, the name of which is RICHARDSON SQUARE CONDOMINIUMS, in which portions of the real estate described in Exhibit A will be designated for common ownership solely by the owners of the separate ownership portions; and
- C. Declarant has caused to be incorporated under the laws of the State of Colorado RICHARDSON SQUARE CONDOMINIUMS ASSOCIATION, INC., a non-profit corporation, for the purpose of exercising the functions as herein set forth.

ARTICLE ONE
SUBMISSION; DEFINED TERMS

- Section 1.1. Submission of Real Estate. Declarant hereby declares that all of the real estate described in Exhibit A shall be held or sold, and conveyed subject to the following easements, restrictions, covenants, and conditions which are for the purpose of protecting the value and desirability of, and which shall run with, the real estate and be binding on all parties having any right, title, or interest in the real estate or any part thereof, their heirs, legal representatives, successors, and assigns, and shall inure to the benefit of each owner thereof. Additionally, Declarant hereby submits the real estate to the provisions of the Colorado Common Interest Ownership Act, Sections 38-33.3-101, *et seq.*, Colorado Revised Statutes, as it may be amended from time to time (the "Act"). In the event the Act is repealed, the Act, on the effective date of this Declaration, shall remain applicable.
- Section 1.2. Defined Terms. Each capitalized term not otherwise defined in this Declaration or in the plat or map shall have the meanings specified or used in the Act.

ARTICLE TWO
NAMES; DESCRIPTION OF REAL ESTATE

- Section 2.1. Names.
 - A. Condominium. The name of the Condominium is RICHARDSON SQUARE CONDOMINIUMS.
 - B. Association. The name of the Association is RICHARDSON SQUARE CONDOMINIUMS ASSOCIATION, INC.
- Section 2.2. Real Estate. The Condominium is located in Gunnison County, State of Colorado. The real estate of the Condominium is described in Exhibit A.

ARTICLE THREE
THE ASSOCIATION

Section 3.1. Authority. The business affairs of the Condominium shall be managed by the Association, a Colorado non-profit corporation. The Association shall be governed by its Bylaws, as amended from time to time.

Section 3.2. Powers.

A. The Association shall have all of the powers, authority, and duties permitted pursuant to the Act necessary and proper to manage the business and affairs of the Condominium.

☒ B.

The Association may assign its future income, including its right to receive Common Expense assessments, only the affirmative vote of the Unit Owners of Units to which at least fifty-one percent (51%) of the votes of the Association are allocated, at a meeting called for that purpose. The Association may not assign future income needed to meet capital reserves or known expenses.

Section 3.3. Declarant Control. The Declarant shall have all the powers reserved in Section 38-33.3-303(5) of the Act to appoint and remove officers and members of the Executive Board.

Section 3.4. Owners to Register Mailing Address. Each unit owner shall register his mailing address with the Association. All notices or demands intended to be served upon an owner shall be mailed to the registered address of such owner. All notices, demands, or other notices intended to be served upon the Association may be sent to the address of the Association. In the event any unit is owned by more than one person, or by a partnership, joint venture, corporation, or other such entity, the unit owner thereof shall designate to the Association, in writing, the name and address of the agent of the unit owner to whom all legal or official notices or demands may be properly and lawfully mailed, and upon failure to so designate an agent, the Association shall be deemed to the agent for receipt of notices to such unit owners.

ARTICLE FOUR
UNITS

Section 4.1. Number of Units. The total number of Units in the Condominium is eight.

Section 4.2. Condominium Map. The Condominium Map of Richardson Square Condominiums filed for record on December 30, 1998, and bearing Reception No. 489861, is hereby incorporated as part of this Declaration.

Section 4.3. Identification of Units. The identification number of each Unit is shown on the Map and Exhibit B of this Declaration.

Section 4.4. Unit Description. Every instrument affecting the title to a Unit may describe that Unit as follows:

Unit _____, RICHARDSON SQUARE
CONDOMINIUMS, according to the Condominium
Map thereof bearing Reception No. 489861 and
the Condominium Declaration pertaining thereto
bearing Reception No. 489862 of the records of
Gunnison County, Colorado

County of Gunnison,
State of Colorado.

Section 4.5. Unit Boundaries. The Boundaries of each Unit are located as shown on the plat or map and are more particularly described as follows:

A. Walls, floors, and ceilings are designated as boundaries of a Unit; and

B. Each Unit shall include the heating, plumbing, air conditioning, and electrical apparatus exclusively serving the Unit, whether or not located within the boundaries of the Unit.

ARTICLE FIVE
COVENANT FOR COMMON EXPENSE ASSESSMENTS

Section 5.1. Creation of Association Lien and Personal Obligation to Pay Common Expense Assessments. Declarant, for each unit, shall be deemed to covenant and agree, and each Unit Owner, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association annual Common Expense Assessments. Such assessments, including fees, charges, late charges, attorney fees, fines, and interest charged by the Association, shall be the personal obligation of the Unit Owner at the time when the assessment or other charges became or fell due. The personal obligation to pay any past due sums due the Association shall not pass to a successor in title unless expressly assumed by them.

X The Common Expense Assessments of the Association shall be a continuing lien upon the Unit against which each such assessment is made. A lien under this Section is prior to all other liens and encumbrances on a Unit except: (1) liens and encumbrances recorded before the recordation of the Declaration; (2) a first lien Security Interest on the Unit recorded before the date on which the Common Expense Assessment sought to be enforced became delinquent, except as provided in the Act; and (3) liens or real estate taxes and other governmental assessments or charges against the Unit. This Section does not prohibit an action to recover sums for which this Section creates a lien or prohibit the Association from taking a deed in lieu of foreclosure. Sale or transfer of any Unit shall not affect the Association's lien except that sale or transfer of any Unit pursuant to the foreclosure of any first lien Security Interest, or any proceeding in lieu thereof, including deed in lieu of foreclosure or cancellation or forfeiture, shall only extinguish the Association's lien as provided in the Act. No such sale, transfer, foreclosure, or any proceeding in lieu thereof, including deed in lieu of foreclosure, nor cancellation or forfeiture, shall relieve any Unit from continuing liability for any Common Expense Assessments thereafter becoming due, nor from the lien thereof.

Section 5.2. Budget of Common Expenses. Within thirty (30) days after adoption of any proposed budget of Common Expenses for the Association, the Executive Board shall mail, by ordinary first class mail, or otherwise deliver a summary of the budget to all the Unit Owners, and shall set a date for meeting of the Unit Owners to consider ratification of the budget not less than fourteen (14) nor more than sixty (60) days after mailing or other delivery of the summary. Unless at that meeting a majority of all Unit Owners reject the budget, the budget is ratified, whether or not a quorum of Unit Owners is present. In the event the proposed budget is rejected, the periodic budget last ratified by the Unit Owners shall be continued until such time as the Unit Owners ratify a subsequent budget proposed by the Executive Board.

* Section 5.3

Purpose of Assessments. The assessments levied by the Association through its Executive Board shall be used for the purpose of promoting the health, safety, and welfare of the residents in the Richardson Square Condominiums and for any costs of insurance, trash service, natural gas costs for the central heating system, any Common Element irrigation system, snow removal, maintenance of the Common Elements, establishment of a capital reserve, payment of management, legal, and accounting fees, and for such other purposes as may be determined by the Executive Board.

X Liability for payment of Common Expense Assessments shall be shared equally among the eight (8) units in the Condominium, except for the heating expense liability. The costs for natural gas used in running the central heating system for the Condominiums shall constitute the Heating Expense Liability, which shall be

allocated among the units as set forth in Exhibit B, in order to account for the difference in square footage of Unit 230.

Section 5.4. Annual Assessment/Commencement of Common Expense Assessments. The Common Expense Assessment shall be made on an annual basis against all Units and shall be based upon the Association's advance budget of the cash requirements needed by it to provide for the administration and performance of its duties during such assessment year. Common Expense Assessments may be collected in the manner as determined by the Executive Board. Common Expense Assessments shall begin on the first day of the month in which the conveyance of the first Unit to a Unit Owner other than the Declarant occurs.

~~X~~ Section 5.5. Effect of Non-Payment of Assessments. Any assessment, charge, or fee provided for in this Declaration, or any monthly or other installment thereof, which is not fully paid within ten (10) days after the due date thereof shall bear interest at the rate as determined by the Executive Board, and the Association may assess a late charge thereon. Further, the Association may bring an action at law or in equity, or both, against any Owner personally obligated to pay such overdue assessments, charges, or fees, or monthly or other installments thereof, and may also proceed to foreclose its lien against such Owner's Unit. An action at law or in equity by the Association against an Owner to recover a money judgment for unpaid assessments, charges, or fees, or monthly or other installments thereof, may be commenced and pursued by the Association without foreclosing, or in any way waiving, the Association's lien therefor.

Section 5.6. Working Fund. The Association or Declarant shall require the first Owner of each Unit (other than Declarant) to make a non-refundable payment to the Association in an amount equal to one-eighth of the annual Common Expense Assessment against that Unit in effect at the closing thereof, and a \$200.00 Heating Expense deposit, which sums shall be held, without interest, by the Association as a working fund. Said working fund shall be collected and transferred to the Association at the time of closing of the sale by Declarant of each Unit, as aforesaid, and shall be maintained for the use and benefit of the Association. Such payment shall not relieve an Owner from making regular payments of assessments as the same become due. Upon the transfer of his Unit, an Owner shall be entitled to a credit from his transferor for any unused portion of the aforesaid working fund and the Heating Expense deposit.

ARTICLE SIX
LIMITED COMMON ELEMENTS

Section 6.1. Limited Common Elements.

- A. A "Limited Common Element" means a portion of the Common Elements, designated in this Declaration, or on the plat or map, or by the Act, for the exclusive use of one or more, but fewer than all, of the Units.
- B. The following portions of the building, in addition to the portions described in Sections 38-33.3-202(1)(b) and (d) of the Act, are designated as Limited Common Elements:
- i. Porches;
 - ii. Doors leading from the Units to the porches or the exterior and their related frames, sills, and hardware; and
 - iii. Any steps leading to the porches or to the Unit.

Section 6.2. Allocation of Specific Common Elements. The Executive Board may designate parts of the Common Elements from time to time for use by less than all of the Unit Owners or by non-owners for a specified period of time or by only those persons paying fees or satisfying other reasonable conditions for use as may be established by the Executive Board. Any such designation by the Executive Board shall not be a sale or disposition of such portions of the Common Elements.

ARTICLE SEVEN
MAINTENANCE, REPAIR, AND REPLACEMENT

- Section 7.1. Units. The Owner of a Unit shall keep and maintain the interior of his Unit, including but without limitation, the interior walls, ceilings, floors, windows, glass, screens, and all permanent fixtures and appurtenances thereto, in a good and proper state of repair and in a clean and attractive condition.
- Section 7.2. Common Elements. All maintenance, repairs, and replacement of the Common Elements, whether located inside or outside of any Unit, shall be the obligation of the Association, and unless such maintenance, repairs, or replacement of the Common Elements is caused by the negligence, misuse, or deliberate act of an Owner, the cost thereof shall be a Common Expense.
- Section 7.3. Expense Allocation. Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed against the Units to which the Limited Common Element is assigned.
- Section 7.4. Limited Common Elements. The Owner of a Units or Units to which any porch or steps are allocated shall be responsible for removal of snow, leaves, or debris therefrom.

ARTICLE EIGHT
SPECIAL DECLARANT RIGHTS

- Section 8.1. Special Declarant Rights. The Declarant reserves the following Development Rights and other Special Declarant Rights for the maximum time limit allowed by law or this Declaration:
- A. The right to use, and to permit others to use, easements through the Common Elements as may be reasonably necessary for the purpose of discharging the Declarant's obligations under the Act and this Declaration; and
 - B. The right to appoint or remove any officer of the Association or any Director during the Declarant Control Period consistent with the Act.
- Section 8.2. Limitations on Special Declarant Rights. Unless sooner terminated by a recorded instrument signed by the Declarant, any Special Declarant Right may be exercised by the Declarant for the period of time specified in the Act, or in this Declaration.

ARTICLE NINE
ALLOCATED INTERESTS

- Section 9.1. Allocated Interests. The undivided interest in the Common Elements, the Common Expense liability, the Heating Expense Liability, and votes in the Association allocated to each Unit are set forth in Exhibit B.
- Section 9.2. Determination of Allocated Interests. The interests allocated to each Unit have been calculated as follows:
- A. The undivided interest in Common Elements is the fraction of one (1) divided by the total number of Units in the Richardson Square Condominiums, expressed as a percentage;
 - B. The percentage of liability for Common Expenses other than the Heating Expense Liability on the basis of the following formula: The fraction of one (1) divided by the total number of Units in the Richardson Square Condominiums expressed as a percentage; and
 - C. The number of votes in the Association on the basis of one (1) vote for each Unit in the Richardson Square Condominiums.

ARTICLE TEN
RESTRICTIONS ON USE, ALIENATION,
AND OCCUPANCY

Section 10.1. Use and Occupancy Restrictions. Subject to the Development Rights and Special Declarant Rights reserved by the Declarant, the following use restrictions apply to all Units and to the Common Elements:

- A. The Units are restricted solely to residential uses.
- B. The occupancy of the Units is generally restricted to persons aged forty (40) years or more, except that it shall be permissible for an under-age spouse of a qualified occupant to reside in a unit. Visitors or guests under the age of forty (40) years may occupy a Unit for periods of time not to exceed two (2) weeks for each visit and not to exceed thirty (30) days for the total of all such visits in any calendar year.
- C. All leases or tenancies in any Unit shall comply with these references on use and occupancy.

Section 10.2. Animals. The Association is specifically authorized to adopt such rules and regulations as it may determine are necessary restricting, limiting, or prohibiting the keeping of pets or other animals in the Condominiums.

Section 10.3. Recreational Equipment Storage. The Association is specifically authorized to adopt such rules and regulations as it may determine are necessary restricting, limiting, or prohibiting the parking or storage of recreational equipment upon the Common Elements.

ARTICLE ELEVEN
EASEMENTS AND LICENSES

Section 11.1. Recording Data. All easements and licenses to which the Condominium is presently subject are recited in Exhibit A.

30th IN WITNESS WHEREOF, the Declarant has caused this Declaration to be executed this day of December, 1998.

RICHARDSON HALL RESIDENCES, JOINT
VENTURE, a Colorado joint venture

By: [Signature]
Michael D. Wilson, joint venturer

STATE OF COLORADO)
) ss.
COUNTY OF GUNNISON)

By: [Signature]
Jerry W. Neal, joint venturer

The foregoing Condominium Declaration of Richardson Square Condominiums was subscribed, sworn to, and acknowledged before me this 30th day of December, 1998, by Michael D. Wilson, and Jerry W. Neal, as Joint Venturers of Richardson Hall Residences Joint Venture, a Colorado Joint Venture.

Witness my hand and official seal.

My commission expires: 12-9-2002



[Signature]
Notary Public



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EXHIBIT A to CONDOMINIUM
DECLARATION
RICHARDSON SQUARE CONDOMINIUMS
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EXHIBIT A

Lots 7 through 12, both inclusive, Block 6, City of
Gunnison, according to the official Plat of ORIGINAL
GUNNISON, on file and of record in the office of the
Gunnison County Clerk and Recorder,

County of Gunnison,
State of Colorado.



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EXHIBIT B to CONDOMINIUM
DECLARATION
RICHARDSON SQUARE CONDOMINIUMS
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EXHIBIT B

<u>Unit No.</u>	<u>Percentage Share Of Common Elements</u>	<u>Percentage Share of Common Expenses</u>	<u>Percentage Share of Affairs of Association</u>
216	12.5	12.5	12.5
218	12.5	12.5	12.5
220	12.5	12.5	12.5
222	12.5	12.5	12.5
224	12.5	12.5	12.5
226	12.5	12.5	12.5
228	12.5	12.5	12.5
230	12.5	12.5	12.5

<u>Unit No.</u>	<u>Percentage Share of Heating Expense Liability</u>
216	12.857
218	12.857
220	12.857
222	12.857
224	12.857
226	12.857
228	12.857
230	10.000