

PARTY WALL AGREEMENT AND
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS
OFPIPER HEIGHTS

This Party Wall Agreement and Declaration of Covenants, Conditions, Easements and Restrictions ("Declaration") is made and entered into by Piper Heights, LLC, a Colorado limited liability company (the "Declarant").

RECITALS

- A. Declarant is the owner of certain real property located at 1642 & 1652 N Lafayette St, Denver, State of Colorado, described in Exhibit A, attached hereto and known as Piper Heights (the "Property").
- B. Declarant states that the Property will contain a total of 15 townhome-style dwelling units, each designed and intended for use and occupancy as a single residential unit, designated herein as:
 - a. 1642 N Lafayette St Unit 1
 - b. 1642 N Lafayette St Unit 2
 - c. 1642 N Lafayette St Unit 3
 - d. 1642 N Lafayette St Unit 4
 - e. 1642 N Lafayette St Unit 5
 - f. 1642 N Lafayette St Unit 6
 - g. 1642 N Lafayette St Unit 7
 - h. 1642 N Lafayette St Unit 8
 - i. 1652 N Lafayette St Unit 1
 - j. 1652 N Lafayette St Unit 2
 - k. 1652 N Lafayette St Unit 3
 - l. 1652 N Lafayette St Unit 4
 - m. 1652 N Lafayette St Unit 5
 - n. 1652 N Lafayette St Unit 6
 - o. 1652 N Lafayette St Unit 7



- C. All Units are located in Denver, CO 80218 and are sometimes referred to herein separately as "Unit" or collectively as "Units."
- D. The legal descriptions for each Unit are shown on Exhibit A attached hereto, and on the Map, as defined below.

DECLARATION

Declarant does hereby publish and declare that the following terms, covenants, conditions, easements, restrictions, uses, reservations, limitations and obligations shall be deemed to run with the land described herein, shall be a burden and a benefit to Declarant, and to its legal representatives, heirs, successors and assigns and any person acquiring or owning an interest in the

Property which is described herein and improvements built thereon, their grantees, personal representatives, heirs, successors and assigns.

1. **DEFINITIONS.** Unless the context shall expressly provide otherwise, the following terms shall have the following meanings:

a. "Building" means a residential building containing residential dwelling units constructed upon the Property.

b. "Management Company" means a property monitoring, maintenance or management company which may be retained by Declarant or the Owners from time to time as provided herein.

c. "Map" means the "Parcel Reconfiguration," which shall be recorded in the office of the Clerk and Recorder of the County of Denver simultaneously with the recordation of this Declaration. Declarant may in the future record and amend this Declaration with an Improvement Survey Plat depicting additional improvements. An amendment to add an Improvement Survey Plat to this declaration shall replace the Parcel Reconfiguration as the "Map" referenced by this Declaration in accordance with the provisions of Section 19.

d. "Owner" shall mean any record owner (including the Declarant and including a contract seller, but excluding a contract purchaser), whether one or more persons or entities, having a fee simple interest in or to any Unit, but excluding any such person or entity having an interest in a Unit merely as a mortgagee or beneficiary under a deed of trust unless such mortgagee or beneficiary under deed of trust has acquired fee simple title to the Unit pursuant to foreclosure or any conveyance in lieu thereof. A person or entity ceases to be an Owner upon conveyance of its Unit by deed. Such cessation of ownership shall not extinguish or otherwise void any unsatisfied obligation of such person or entity existing or arising at or prior to the time of such conveyance.

e. "Property" means all of the real estate legally described in Exhibit A, attached hereto.

f. "Unit" means any one of the residential dwellings and related real property designated for separate ownership, the boundaries of which are described in this Declaration at Exhibit A, attached hereto and are depicted on the Map.

g. "Utilities" shall be defined, but is not limited to the following services and all supporting systems: water, sewer, gas, telephone, electricity, telecommunications, and master television antenna or cable or satellite television system, if any.

2. **DESCRIPTION.** Every contract of sale, deed, lease, mortgage, deed of trust, will or other instrument (each, a "Conveyance Instrument") shall legally describe a Unit or real property interest by setting forth the legal description of the Units as set forth in Exhibit A, attached hereto. Every such description shall be good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect the Unit and all appurtenant rights, benefits, and burdens thereto as created by the provisions of this Declaration, and each such description shall be so construed.

3. **PROPERTY DIVISION.**

a. Declarant hereby establishes this plan for 15 Units on the Property for ownership in fee simple consisting of each Unit, as described in Exhibit A, attached hereto and as depicted on the Map.

b. The Units and the Property are subject to all recorded easements, licenses and any other matters of record, both existing and incorporated herein.

c. In the event that any of the Units are owned by the same entity, the doctrine of merger shall not apply.

d. The parties, if more than one, having the ownership of each Unit shall agree among themselves how to share the rights and obligations of such ownership; provided, however, that if a corporation, partnership, limited liability company, association or other legal entity shall become an Owner of a Unit, then such entity shall from time to time designate one individual who shall represent such entity in all matters concerning all rights and obligations pursuant to this Declaration. Any such entity shall give written notice to the other Owners designating the individual to act on its or their behalf and such notice shall be effective until revoked in writing by such entity. Any act, omission or representation by such designated individual shall be binding on the entity having designated him or her in favor of the other owners or any other person who may rely thereon.

e. Each Unit shall be considered a separate parcel of real property and shall be separately addressed, assessed and taxed.

f. The Property shall constitute a planned community pursuant to C.R.S. § 38-33.3-103(22) of the Colorado Common Interest Ownership Act, C.R.S. § 3-33.3-101, et seq. (the "Act"). Because the planned community contains less than 20 Units and is not subject to any development rights, it is a "small planned community" under C.R.S. § 38-33.3-116(2) and as such is subject only to Sections § 38-33.3-105 through § 38-33.3-107 of the Act, and is expressly exempt from the remaining provisions of the Act.

4. ENCROACHMENTS. If any improvements to a Unit now encroach upon any portion of any other Unit, including any encroachment created by the construction, overhang, or overlapping of any exterior elements, or if any such encroachment shall occur as a result of the settling, rising or shifting of the earth, and the like, a perpetual easement for the encroachment and maintenance thereof shall and does exist. In the event of the damage or destruction of any such encroaching improvements which are subsequently rebuilt following any such damage or destruction, encroachment of such rebuilt improvements upon the adjoining portions of the Property shall be permitted; provided, however, such encroachment is no greater than previously existing and valid easements for such encroachment and the maintenance thereof shall be deemed in force so long as the improvements stand. An Owner who exercises the easement granted by this Section for the purpose of maintenance, repair, and/or replacement shall not cause any damage to the adjoining Unit and shall be responsible for any damage inflicted and liable for the cost of prompt repair. The

easement for encroachments does not relieve an Owner of liability in case of willful misconduct, nor relieve an Owner for failure to materially adhere to plans and plats.

5. EASEMENTS.

a. Utility Easements. There is hereby created a blanket easement upon, across, over and under the Property for utilities and the installation, replacement, repair and maintenance of utilities, including, but not limited to, water, sewer, gas, telephone, electricity, computer cable, and master television antenna or cable or satellite television systems, if any. By virtue of this blanket easement it shall be expressly permissible to erect and maintain the necessary facilities, equipment and appurtenances on the Property and to affix, repair, and maintain water and sewer pipes, gas, electric, telephone, wires, cables, circuits, conduits and meters. The easement provided for in this Section shall in no way affect, avoid, extinguish or modify any other recorded easement(s) on the Property.

b. Emergency Easement. A general easement is hereby granted to all police, sheriff, fire protection, ambulance and other similar emergency agencies or persons to enter upon all streets, sidewalks and driveway areas and any other portion of the Property in the proper performance of their duties.

c. Easement for Maintenance Access and Entry. Some shared utilities, equipment or other improvements are or may be located within the boundaries of one or more Units. Each Owner hereby grants to each other Owner and their respective agents and employees, an easement over, across and under such Owner's Unit reasonably necessary for maintenance, repair, removal and replacement of any such shared utilities, postal boxes, equipment, and improvements. Subject to the provisions of Section 8 hereof, damage to the interior of any part of a Unit resulting from any such maintenance, repair, emergency repair, removal or replacement of shared utilities shall be an expense of all the Owners. Non-emergency repairs shall be made only during regular business hours on business days after a twenty-four (24) hour notice to the occupants of the Unit wherein such repairs are to be made, except where the occupants have no objections to earlier entry for repairs. Emergency repairs may be made at any time, and in emergency situations the occupants of the affected Unit may be warned of impending entry as early as is reasonably possible.

d. Support Easements. Each Unit is subject to a blanket easement for support and a blanket easement for the maintenance of structures or improvements presently situated or to be built in the future on the Property.

e. Easements of Access. Every Owner shall have a non-exclusive pedestrian and vehicular easement for access, ingress and egress, over, across and upon the Property, for the purpose of getting to and from such Owner's Unit, such Owner's garage and public ways, which rights and easements shall be appurtenant to and pass with the transfer of title to every Unit. The Owners shall have equal right to the use of such access and no Owner shall hinder or permit such Owner's invitees to hinder reasonable access by the other Owners and their invitees to any other Owners' Unit.

f. Bicycle Rack Access and Use. Every Owner shall have a non-exclusive easement for access and use of the bicycle racks, if any, upon the Property as originally installed by the Declarant or builder, as applicable, and such bicycle racks may not be moved, removed, nor may access for the use of the bicycle racks be withheld from any other Owner. Such use shall be strictly limited to securing and temporarily storing bicycles of Owners and Owners' guests. No locks, chains, or any other items shall be left affixed to the bicycle racks when not in use to secure a bicycle. There shall be a 48-hour storage limit after which the Owner of the parcel on which the bicycle rack is located may provide written notice to all other Owners and may arrange for the removal of any bicycles forty-eight (48) hours after such notice is delivered. Any such removed bicycles must be delivered to the Denver Police Department as abandoned property. At any time, the Owner of the parcel on which a bicycle rack is located may remove and dispose of any chains, locks, or any other items affixed to the bicycle rack if not in active use securing a bicycle.

g. Delegation of Use. Any Owner may temporarily, without notice to any other Owner, delegate such Owner's rights of use of and access over the Property to such Owner's agents, guests, invitees and tenants.

h. Easements Deemed Created. All conveyances of Units hereafter made, whether by the Declarant or otherwise, shall be construed to grant and reserve the easements contained in this Section 5, even though no specific reference to such easement or to this Section 5 appears in the instrument of such conveyance. Such easements are and shall (i) remain burdens upon the interest and ownership of each Unit, (ii) be appurtenant to and conveyed as a part of each Unit without additional reference in the conveyance, (iii) be inseparable from the ownership of each Unit, and (iv) not be separately conveyed, except by amendment to the Map.

6. PARTY WALLS; ROOFS.

a. The common foundation walls and roofs or parapets placed on, over or adjacent to the common boundaries separating the Units, as well as the footings underlying such walls, and any shared fences are collectively referred to in this Agreement as each a "Party Wall" and, collectively, the "Party Walls". A Party Wall is a structural part of and physically joins the adjoining Units on each side of the Party Wall. Without limiting the foregoing, the term Party Wall, as used herein, shall also include any two (2) walls that generally meet the foregoing definition, and that together constitute the wall between two adjoining Units, even if such walls are separated by a de-minimis amount of air space.

b. To the extent not inconsistent with this Declaration, the general rules of law regarding party walls and liability for damage or destruction due to negligence, willful acts or omissions shall apply to all Party Walls, and, in the event of any such damage or destruction, the Unit Owner responsible for such negligence or wrongful act or omission, shall promptly rebuild and/or repair the Party Wall and shall compensate the other Unit Owner(s) for any damages sustained to person or property as a result of such wrongful or negligent act.

c. The Owners of each Unit shall have a perpetual easement in and to that part of the other Units on which a Party Wall is located, for party wall purposes, including mutual perpetual lateral and subjacent support, maintenance, repair and inspection of the Party Wall and utility lines

located within the Party Wall. In the event of damage to or the destruction of any Party Wall from any cause other than the intentional act or omission or negligence of a Unit Owner, then at the joint expense of the Owners, a Party Wall shall be repaired or rebuilt, and each Owner, shall have the right to the full use of said Party Wall so repaired or rebuilt. Notwithstanding anything contained above to the contrary, if the negligence, willful act or omission of any Owner, such Owner's family, agent or invitee, shall cause damage to or destruction of, a Party Wall, such Owner shall bear the entire cost of repair or reconstruction, and an Owner who by such Owner's negligent or willful act causes the Party Wall to be exposed to the elements shall bear the full cost of furnishing the necessary protection against such elements.

d. The roof (the "Roof") forms an uninterrupted roof line across the Building (or each of the Buildings, as applicable) and is composed of the same material in the same color. The cosmetic appearance of the Roof will affect the value of each Owner's Unit, and the physical condition of the Roof could be the cause of damage to improvements on one or more of the Units, such as, but not limited to, a defect in a Roof causing water to leak into an Owner's Unit. The Owners have a common interest in maintaining the cosmetic appearance and the physical condition of the Roofs, in furtherance of which Declarant provides as follows:

i. Each Owner shall, at such Owner's own expense, maintain the portion of the Roof over the improvements (including, without limitation, each Owner's rooftop deck) on such Owner's Unit in good condition and repair and in the original materials and colors. Each Owner must ensure that any penetrations of the Roof are performed in such a way that the roof system manufacturer's warranty is not voided. To the extent required by the roof system manufacturer's warranty, all penetrations of the Roof must be performed by contractors and in a manner approved by the roof system manufacturer.

ii. If at any time, an Owner believes that the portion of the Roof located on another Owner's Unit is in a condition that adversely affects the value of the observing Owner's Unit, then the Owner shall communicate such concern to the other Owner, requesting that such Owner repair or replace the Roof at issue. If the applicable portion of the Roof can be reasonably repaired or replaced by utilizing materials of the same quality and color as presently exist, so that they will blend with the existing Roof materials, then the Owner so repairing or replacing the applicable portions of the Roof shall bear the sole cost thereof. If materials of the same quality and color cannot be located, after a diligent effort to locate same, so as to necessitate the complete replacement of the entire Roof, then the Owners agree to divide evenly the cost of such replacement, except as provided for in Section 6(d)(iv) below.

iii. If any Owner fails or refuses to pay such Owner's share of the cost of repair or replacement of the Roof (or applicable portion thereof) as provided for above, within thirty (30) days after demand by the other Owner, then the other Owner may cause the Roof (or applicable portion thereof) to be repaired or replaced, as the case may be, and shall be entitled to assess and collect the non-paying Owner's share of such costs from the non-paying Owner and the same shall become and remain a lien against the non-paying Owner's Unit, upon which interest shall accrue at the rate prescribed herein, until fully paid, which shall begin to accrue thirty (30) days after demand. Said lien shall be established, enforced and released in the manner set forth herein.

iv. In the event that the need for the repair or replacement of the Roof (or portion thereof) is due to the negligence or intentional act or omission of any Owner, for which such Owner is legally liable under general rules of law regarding liability for property damage due to negligence or intentional acts or omissions, then such Owner shall be solely responsible for the cost of the repair or replacement of the Roof (or portion thereof). If said Owner fails or refuses to pay for such repair or replacement within thirty (30) days after demand by another Owner, then the other Owner may cause the Roof (or portion thereof) to be repaired or replaced and shall be entitled to assess and collect the costs attributable thereto against and from the non-paying Owner's Unit and the same shall become and remain a lien against the non-paying Owner's Unit, upon which interest shall accrue at the rate prescribed herein, until fully paid, which shall begin to accrue thirty (30) days after demand. Said lien shall be established, enforced and released in the manner set forth in herein.

7. LANDSCAPING; SERVICE FACILITIES.

a. The Owners, upon the approval of at least 2/3 of all the Owners, may undertake from time to time such landscaping and general outdoor improvements, including but not limited to walkways, driveways, fencing and access areas as they may mutually agree and deem proper for the harmonious improvement of all of the Units in a common theme, and, except for any expense or liability caused through the negligence or willful act of any Owner, such Owner's family, agents or invitees, which shall be borne solely by such Owner, each Owner shall be responsible for all expenses, liabilities and general upkeep responsibilities with respect to such landscaping and outdoor improvements for such Owner's own Unit. The Owner of one Unit shall not unreasonably cause any diminution of the value of the Property or the Units which may result from the substandard maintenance and repair of the Unit or the landscaping and general outdoor improvements applicable thereto, but all Owners shall make all reasonable efforts to preserve the clean, safe, attractive, sanitary, and harmonious common appearance of the Units.

b. Utility lines and equipment serving only one Unit - All expenses and liabilities for the repair, maintenance and upgrade of utility or service connections or lines, facilities or other utility equipment which are used solely to supply a service or utility to one Unit shall be borne solely by the Owner of such Unit, and such Owner shall have a perpetual easement in and to that part of any other Unit containing such property as is reasonably necessary for purposes of maintenance, repair and inspection.

c. Shared utility lines and equipment serving more than one Unit - All expenses and liabilities for the repair, maintenance and upgrade of utility or service connections or lines, facilities or other utility equipment which are used to supply a service or utility to more than one Unit shall be shared proportionately by the Owners sharing such utility lines and equipment, provided however, that any expense or liability caused through the negligence or willful act of any Owner, such Owner's family, agents or invitees, shall be borne solely by such Owner. By way of example, as set forth in Section 10(b) herein, a common water line will serve each building. Therefore, each Unit shares a common water line with all Units in the same building and responsible for the expense of maintaining and repairing the water lines that serves those Units, as outlined in Section 10(b). Each Unit will be responsible for 1/15th (6.67%) of the expense of maintaining and repairing utility lines that serve the entire Property.

8. ALTERATION, MAINTENANCE AND REPAIRS.

a. In addition to the maintenance items provided for in Section 7, the Owners upon not less than 2/3 vote of all the Owners shall, at the joint expense of the Owners, provide maintenance and repair upon the Units, the driveway area, landscape areas, common fencing and any unimproved portions of the Property upon which each Unit is located. If the need for repair is caused through the negligence or willful act of any Owner, such Owner's family, agents, or invitees, such Owner shall bear the entire costs of such repair or reconstruction.

b. Each Owner shall be solely responsible for maintenance and repair of the interior and exterior of such Owner's Unit including fixtures and improvements and all utility lines and equipment located therein and serving such Unit only. In performing such maintenance and repair, or in improving or altering a Unit, no Owner shall do any act or work which impairs the structural soundness of any Unit or the Party Wall, violates any zoning or building ordinance, or which interferes with the use or enjoyment of any easement granted or reserved herein.

c. No Owner shall make or suffer any structural or design change (including a color scheme change), either permanent or temporary, to the exterior of such Owner's residential dwelling unit upon such Owner's Unit or construct any additional building structure of any type or nature whatsoever upon any part of such Owner's Unit without first obtaining the prior written consent thereto from not less than 2/3 of the other Owners, such consent not to be unreasonably withheld, conditioned, or delayed, and must also be approved by all appropriate governmental authorities, as applicable. Each Owner shall reasonably cooperate with a requesting Owner in obtaining a building permit or such other license as may be required from a governmental authority for the purpose of repairing or remodeling the improvements located on such requesting Owner's Unit. In case of damage or destruction of any Unit or any part thereof, the Owner of such Unit shall cause the Unit to be repaired and restored, with due diligence, applying the proceeds of any insurance for that purpose. Such Unit shall be restored to a condition comparable to that prior to the damage and in a harmonious manner to promote the common theme of the Building.

d. From time-to-time as deemed necessary or proper upon the affirmative vote of not less than 2/3 of the Owners, the exterior walls of the improvements to the Property, including the Units, may be painted in the same color scheme and at the same time, at the joint and equal cost to each Owner.

e. It is presumed that snow-shoveling, cleaning, and concrete/asphalt maintenance and repair may be required from time to time for any sidewalk, driveway or access area, the cost of which will be shared by the Owners equally and paid for as set forth in Section 9.

9. EXPENSES AND REIMBURSEMENTS – UTILITIES, MAINTENANCE, ETC.

a. Management and Maintenance Duties. Subject to the rights of Owners as set forth in this Declaration, each Unit shall share in the shared expenses relating to water, sewer, landscaping, lawn, trash removal, snow shoveling, driveway, and other expenses as may be set forth herein or in a separate agreement with a Management Company that the Owners may enter into from time to time.

i. The Declarant initially shall have all of the responsibility, powers, authority and duties necessary and proper for the monitoring, maintenance, repair, replacement and improvement of any water, sewer, snow removal, driveway, landscape, trash removal and utility appurtenances which are provided to all of the Units, and to pay the monthly or quarterly bills for monitoring, water, sewer, snow removal, landscape, and other utilities or services which are provided to all of the Units, and allocate the amounts payable by the Owners of each Unit on a monthly, quarterly or annual basis for such services, as determined by Declarant in Declarant's sole and absolute judgment;

ii. The expenses, costs and fees of such monitoring, operation, maintenance, repair, replacement and improvement as provided in this section and including an administrative fee for each Unit per month for these services, shall be part of the monthly expense determined by the Declarant, in Declarant's sole and absolute judgment, or any future monitoring or management company and assessed to each of the other Units, and the prior approval of the Owners shall not be required in order for the Declarant to pay any such expenses, costs and fees, regardless of the amounts thereof;

iii. The Declarant shall have the right, in Declarant's sole and absolute judgment, to appoint a Management Company to take over this function at such time as Declarant shall determine, and shall provide written notice to the future Owners. The Owners shall have the right to obtain a replacement Management Company upon the vote of not less than 2/3 of the Owners and may appoint another Management Company;

iv. The property monitoring, maintenance and utility fee amounts may increase or decrease in the future depending upon the cost of utilities and services provided to the Property. Any monitoring or administrative fee may also increase or decrease in the future depending upon the availability of and costs of the Management Company providing these services to the Property;

v. Each Owner shall be responsible for exclusive maintenance and repair of all plumbing, all electrical outlets and switches, domestic hot water equipment, furnaces and appurtenances which service such Owner's Unit, including without limitation all appurtenances which are used solely in connection with the Owner's Unit such as the garage, porch, patio, gutters, downspouts, walkway, driveway, fireplace or flue, if any, which is accessible from such Owner's Unit which shall all be kept in a good, clean, sanitary and attractive condition.

b. Owner's Negligence: Prohibition of Certain Activities.

i. Each Owner by acceptance of a deed or other instrument of conveyance or assignment of a Unit, any member of an Owner's family, and any guest, tenant, invitee or contract purchaser of an Owner, agrees to comply strictly with the provisions of this Declaration, and the decisions and resolutions of the Owners adopted pursuant thereto, as the same may be lawfully amended from time to time. Further, nothing shall be done or kept in any Unit or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other imposed requirement of any governmental body having jurisdiction over the same. No damage to, or waste of a Unit or any part thereof, shall be committed by any Owner, or by any member of an Owner's

family, or by a guest, invitee or contract purchaser of any Owner. Each Owner, shall have the power to enforce the provisions of this Declaration. The Management Company, or Owners, shall take such action as the Owners deem necessary or desirable to cause such compliance by each Owner and such Owner's guests. Without limiting the generality of the foregoing, the Owners or the Management Company (if any) shall have the power to enforce the provisions of this Declaration and the decisions and resolutions pursuant thereto, by any one or more of the following means:

1. by commencing and maintaining actions to restrain and enjoin any breach or threatened breach of the provisions of this Declaration, or decisions and resolutions of the Owners, by permanent injunction or otherwise;

2. by commencing and maintaining actions to recover damages for breach of any of the provisions of this Declaration, or decisions and resolutions of the Owners; and/or

3. by levying and collecting from any Owner, after Notice and Hearing, reasonable and uniformly applied nondiscriminatory fines and penalties established in advance for breach of this Declaration, or decisions and resolutions of the Owners. Owners shall have the power to enforce the provisions of this Declaration against any Management Company.

ii. Each Owner in breach of any provision of this Agreement shall indemnify and hold the Management Company (if any) and the other Owners harmless from and against all loss and damage resulting from any action or activity committed by Owner, the member of Owner's family, guests, invitees or contract purchasers.

iii. All attorneys' fees and other reasonable, out-of-pocket costs of enforcing this Declaration, the decisions and resolutions of the Owners, and the foregoing indemnification incurred by the Management Company, or in a proper case by an aggrieved Owner, shall be assessed against the Owner found to be in violation and such assessment shall become a lien against such Owner's Unit and shall be enforced and collected in the same manner as all other assessments as provided herein.

iv. The conveyance or encumbrance of a Unit shall be deemed to be made subject to all of the provisions of this Declaration and shall be binding upon each grantee or mortgagee without the necessity or inclusion of such express provision in the instrument of conveyance or encumbrance.

c. Monitoring, Maintenance and Management Agreements and Other Contracts.

i. Any agreement for professional monitoring, maintenance and/or management of the Property or any contract providing for the services of the Declarant shall be in writing and have a maximum term of three years. Any such agreement shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon thirty (30) days' prior written notice.

ii. Any contracts or leases entered into by the Owners shall provide for termination by either party thereto, with or without cause and without payment of a termination fee, upon the greater of (i) 30 days' prior written notice, or (ii) such duration (and in such manner) as may be prescribed under applicable law.

iii. Notwithstanding anything to the contrary contained in this Section, the Owners may enter into contracts and leases in violation of this Section if so required by Colorado statute, county or municipal ordinance, HUD, VA, FHA, FNMA and/or FHLMC of any provisions of any of such agencies' legal requirements which are violated by any such contracts and leases.

d. Contracts, Licenses and Agreements. The Owners, upon 2/3 vote of all the Owners, shall have the right to enter into, make, perform or enforce contracts, leases, licenses, agreements, easements and/or rights of way, for the use by Owners, other persons, their family members, guests and invitees, of real property for pedestrian and vehicular access, ingress and egress to and from the Property, or any portion thereof, for contracts, licenses, leases or other agreements for the provision of cable or satellite television service to the Property, or any portion thereof, so long as such contracts, licenses, or agreements do not exceed three (3) years in duration from the commencement of such satellite or cable television service. Any of such contracts, leases, licenses, agreements, rights-of-way or easements shall be upon such terms and conditions as agreed to by the Owners, and any costs and expenses shall be treated as expenses payable equally by each of the Owners pursuant to this Section 9 and Section 10.

10. ALLOCATION AND PAYMENT OF EXPENSES.

a. General Billing Scheme. Except as otherwise provided herein, costs and expenses of utilities, and any other expenses relating to service facilities, postal box maintenance, trash removal, landscaping, driveway, alterations, maintenance and repairs (except as caused by negligence or willful act of an Owner) shall be allocated to each Unit based upon the actual usage of utility services which are separately metered to each Unit, or 1/15th (6.67%) of the amount to be paid by each Unit for all services which are not separately metered with the exception of costs associated with fire suppression systems as outlined below. The cost of these items shall be billed to the Owners by the Declarant, Management Company, or by any Owner receiving the bill, who shall then assess the Owners of each other Unit for such expenses in accordance with the foregoing. As between the Owners, all costs and expenses shall be paid within fifteen (15) days of written notice of any billing for the same. Payment to the Management Company shall be as provided pursuant to a separate written agreement for services.

b. Water to Units.

One 1.5" water service line will service 1642 N Lafayette St for household water service and a second 2" water line shall service 1652 N Lafayette St for household water service and fire suppression systems. A third 1" water service line will service the entire property for landscape irrigation purposes. Units share water lines as follows:

- 1642 N Lafayette St Unit 1, Unit 2, Unit 3, Unit 4, Unit 5, Unit 6, Unit 7, Unit 8
 - Share (1) 1.5" water line for household water service and landscape irrigation.

Costs and Expenses of the above water lines shall be combined with all Units responsible for 1/8th (12.5%) of the combined costs and expenses of both water lines providing domestic and irrigation service.

- 1652 N Lafayette St Unit 1, Unit 2, Unit 3, Unit 4, Unit 5, Unit 6, Unit 7 – Share (1) 2" water line for household water service, irrigation and fire suppression.

The seven units with fire suppression systems shall each be responsible for 1/7th (14.29%) of the costs and expenses for the water line providing domestic, and fire suppression service.

- 1642 N Lafayette St Unit 1, Unit 2, Unit 3, Unit 4, Unit 5, Unit 6, Unit 7, Unit 8, and 1652 N Lafayette St Unit 1, Unit 2, Unit 3, Unit 4, Unit 5, Unit 6, Unit 7 – Share (1) 1" water line for landscape irrigation purposes.

Costs and Expenses of the above water liens shall be combined with all Units responsible for 1/15th (6.67%) of the combined costs and expenses of the water line providing irrigation

The water provider shall bill the Management Company for the total amount of water expense for all domestic and fire water lines, including any annual or one-time fees assessed by the water provider (i.e. annual inspections). The Management Company shall combine and separate the totals into appropriate sub-charges and each Unit will be responsible for paying their portion as outlined above. If one of the Owners fails to timely pay such Owner's share of the water bill, the other Owners shall be entitled to exercise all of the remedies set forth in Section 14 herein.

c. Sewer to Units. One or more sewer lines will run through the Property and then separately enter each Unit. Sewer charges are assessed monthly based off water usage via the water company and shall be handled as set forth in (b) above. Any annual bills tied to each water tap shall be handled according to the same billing scheme as "(b) Water to Units".

d. Gas and Electrical Service to Units. One or more gas lines and one or more electrical lines will run through the Property and then separately enter each Unit. Gas and electrical service will be separately metered and directly billed by the applicable utility companies to the Owner.

e. Changes to Allocation and Payment of Expenses. Any changes in billing systems or regulations on the part of any utility company, municipality, or other entity administering billing systems that provide service to the Units that result in a conflict with any of the sections of this Agreement shall nonetheless be enforceable against, and payable by, each respective Owner, and such conflict shall be addressed through amendment to this agreement pursuant to Section 19 Amendment or Revocation.

11. MECHANIC'S LIENS; INDEMNIFICATION.

a. Except for items incurred as a common expense of all the Owners as provided for herein, if any Owner shall cause any material to be furnished to such Owner's Unit or any labor to be performed therein or thereon, the other Owners shall not under any circumstances be liable for the payment of any expense incurred or for the value of the work done or material furnished for any other Unit; all such work shall be at the expense of the Owner causing it to be done, and such Owner shall be solely responsible to contractors, laborers, materialmen and other persons furnishing labor or materials to such Owner's Unit or any improvements therein or thereon;

b. Nothing herein contained shall authorize any Owner or any person dealing through, with or under any Owner to charge the Unit of any other Owner with any mechanic's lien or other lien or encumbrance whatsoever; and, on the contrary (and notice is hereby given) the right and power to charge any lien or encumbrance of any kind against one Owner or against one Owner's Unit for work done or materials furnished to any other Owner's Unit for work done or materials furnished to any other Owner's Unit is hereby expressly denied.

c. Except as provided for below, if, because of any act or omission of any Owner, any mechanic's or other lien or order for the payment of money shall be filed against any other Owner's Unit or any improvements therein or thereon or against any other Owner (whether or not such lien or order is valid or enforceable as such), the Owner whose act or omission forms the basis for such lien or order shall at such Owner's own cost and expense cause the same to be canceled and discharged of record or bonded by a surety company reasonably acceptable to such other Owners, immediately (and never to exceed thirty (30) days after the date of filing thereof), and further shall indemnify and hold the other Owners harmless from and against any and all costs, expenses, claims, losses or damages, including reasonable attorney's fees resulting therefrom.

12. INSURANCE.

a. Each Owner shall keep such Owner's Unit, including, but not limited to the garage portion, and all fixtures therein insured against loss or damage by fire and extended coverage perils (including vandalism and malicious mischief) for the maximum replacement value thereof.

b. Each Owner shall provide and keep in force, for the protection of himself, general public liability and property damage insurance against claims for bodily injury or death or property damage occurring in, on or upon, such Owner's Unit and the improvements thereon, in a limit of not less than Three Hundred Thousand Dollars (\$300,000.00) in respect of bodily injury or death to any number of persons arising out of one accident or disaster, or for damage to property, and if higher limits shall at any time be customary to protect against possible tort liability, such higher limits shall be carried and each Owner shall name the other Owners as additional insured parties under such policy.

c. Each Owner shall deliver to the Management Company (if any) or to other Owners if requested, certificates evidencing all insurance required to be carried under this paragraph. Each Owner shall have the right to inspect and copy all such insurance policies of the other Owners and require evidence of the payment of premiums thereon.

d. Nothing provided in this paragraph shall prevent the Owners from jointly acquiring a single policy to cover any one or more of the hazards required in this Section 12 to be separately insured against by each Owner, which insurance premium shall be an expense to be shared equally by all Owners pursuant to Sections 9 and 10.

e. All policies of insurance required hereunder shall be written by insurance companies licensed to do business in Colorado with an acceptable rating and shall name the other Owners as additional insureds and shall provide for at least thirty (30) days' prior written notice to the other Owners before the insurer can cancel or substantially modify such policy. If any such policy does not include "severability of interest" in its terms, there shall be a specific endorsement to preclude the insurer's denial of an Owner's claim because of negligent acts of the other Owners. To the extent permitted under the appropriate insurance policies, in the case of a payment to an Owner on an insurance claim related to a Party Wall or the easements created herein, such payment shall be made to the claimant only, without requiring endorsement by or payment jointly, to a named insured. If so requested in writing, an Owner shall deliver to the requesting Owner(s) certificates evidencing all insurance required to be carried under this Section 12. Each Owner shall have the right, upon reasonable request, to inspect and copy all such insurance policies of the other Owner(s) and require evidence of the payment of the premiums therefor.

f. To the fullest extent permitted without voiding any insurance required to be carried by any Owner, each Owner waives any and all rights to recover against the other Owner, for any loss or damage to such waiving Owner arising from any cause covered by any insurance required to be carried by such Owner pursuant to this Declaration or any other insurance actually carried by such Owner. Each Owner, from time to time, will cause the Owner's insurers to issue appropriate endorsements to all policies of insurance carried in connection with the Owner's Unit reflecting these waivers of subrogation rights.

13. DESTRUCTION OF IMPROVEMENTS ON UNITS.

a. Restoration of Damaged Units. In the event of damage or destruction of any Unit, or any part thereof, except through the negligence or intentional act of another Owner as provided for herein below, each Owner shall proceed with due diligence to cause the repair and restoration of its Unit applying the proceeds of insurance, if any, for such purpose. Any damaged or destroyed Unit shall be promptly repaired and restored to its condition prior to the occurrence of such damage or destruction in such a manner consistent with the harmonious and common theme of the Units.

b. If the insurance proceeds are insufficient to repair or reconstruct any damaged Unit, such damage or destruction shall be promptly repaired and reconstructed by its Owner using the insurance proceeds and the proceeds of a special assessment against the Owner of the damaged Unit. Any such assessments shall be equal to the amount by which the cost of reconstruction or repair of the Unit exceeds the sum of the insurance proceeds allocable to such Unit. Such assessment shall be due and payable within thirty (30) days after written notice thereof. The special assessment provided for herein shall be a debt of each Owner and a lien on such Owner's Unit and the improvements thereon and may be enforced and collected by foreclosure proceedings in the Courts.

c. Negligence by Owner. If, due to the act or negligence of any Owner or such Owner's agent, contractor, employee, tenant, family member, licensee, guest or invitee (the "Responsible Owner"), loss or damage shall be caused to any person or property or any Unit, such Responsible Owner shall be liable and responsible therefor, except to the extent such damage or loss is covered by insurance and the carrier of the insurance has waived its rights of subrogation against such Owner. The Responsible Owner shall proceed with due diligence to cause the prompt repair and restoration of any such property damage, restoring any Unit so damaged to its condition prior to the occurrence of such damage or destruction and shall compensate the person or other Owner for any damages sustained as a result of such intentional or negligent act or omission.

14. RIGHT TO LIEN.

a. If an Owner, at any time, shall neglect or refuse to perform or pay such Owner's share of any obligation required hereunder, the Management Company or the other Owners may, but shall not be obligated to, after fifteen (15) days' written notice, unless the circumstances require sooner action, make such payment or, on behalf of such other Owner, expend such sum as may be necessary to perform such obligation including, but not limited to, the payment of any insurance premiums required hereunder or the undertaking of any work required hereunder for repair, restoration or maintenance, and such other Owners shall have an easement in and to that part of such defaulting Owner's Unit as is reasonably necessary for such repair, restoration or maintenance.

b. All sums so paid or expended by any Management Company or by an Owner, with interest thereon at the lesser of (i) eighteen percent (18%) per year from the date of such payment or expenditure, or (ii) the maximum rate then allowable by law or judgments, payable by the Owner so failing to perform (the "defaulting owner") upon written demand of the other Owners or Management Company.

c. All sums so demanded but unpaid by the defaulting owner shall constitute a lien on the Unit of the defaulting Owner in favor of the other Owners prior to all other liens and encumbrances, except: (i) liens for taxes and special assessments; and (ii) the lien of any first mortgage or first deed of trust of record encumbering such Unit. The lien shall attach from the date when the unpaid sum becomes due and may be foreclosed in like manner as a mortgage on real property upon the recording of a notice or claim thereof executed by the nondefaulting Owners setting forth the amount of the unpaid indebtedness, the name of the defaulting Owner, and a description of the Unit. In any such foreclosure the defaulting Owner shall be required to pay the reasonable, out-of-pocket costs and expenses of such proceedings, including reasonable attorney's fees.

d. The lien provided for herein shall be subordinate to the lien of any first mortgage or deed of trust, including all additional advances thereon. Sale or transfer of any Unit as the result of court foreclosure of a mortgage, foreclosure through the public trustee, or any proceeding in lieu of foreclosure, shall extinguish the lien of such assessments as to payments thereof which become due prior to such sale or transfer, but shall not relieve any former owner of personal liability therefore. The mortgagee of such Unit who acquires title by way of foreclosure or the taking of a deed in lieu shall not, however, be liable for any past due assessment and shall only become liable for future assessments on the date it becomes the Owner of such Unit. No sale or transfer shall relieve such

Unit from liability for any assessments thereafter becoming due or from the lien thereof. In the event of the sale or transfer of a Unit with respect to which sums shall be unpaid by a defaulting Owner, except transfers to a first mortgagee in connection with a foreclosure of its lien or a deed in lieu thereof, the purchaser or other transferee of an interest in such Unit shall be jointly and severally liable with the seller or transferor thereof for any such unpaid sums.

e. Upon written request of any Owner, mortgagee, prospective mortgagee, purchaser or other prospective transferee of a Unit, the Owner of the other Units shall issue a written statement setting forth the amount such Owner is owed under this paragraph, if any, with respect to such Unit. Such statement is binding upon the executing Owner in favor of any person who may rely thereon in good faith. Unless a request for such statement is to be responded to within fifteen (15) days after receipt, all unpaid sums which became due prior to the date of making such request shall be subordinated to the lien or other interest of the person requesting such statement.

15. ALL OWNERS RESPONSIBLE. All Owners shall be responsible for the administration and management of the obligations created hereunder.

16. RESTRICTIONS.

a. Residential Use. Each Unit shall be restricted to a residential use as a permitted use, and such use as well as conditional and accessory uses shall be defined by any applicable zoning or land use restrictions imposed by the governmental authority.

b. Satellite Dishes. In order to preserve the aesthetic character of the Property and all Units, any type of satellite dish or receiver or antenna of any kind shall, if in compliance with any other requirement of this Declaration, be installed on the Roof of the respective Units and in a location which is below the elevation of the top of any walls surrounding the Unit's rooftop deck, and otherwise in a manner best able to minimize any obstruction of any other Unit's light or living space and to minimize any change in the aesthetic character of the Property. In the event this provision is in violation of any federal, state or municipal law or code which would deem such a restriction to be invalid by its terms, this section shall be deemed to be only as restrictive as allowed by such laws or ordinances determined by court or other controlling opinions or if no such restrictions would be allowed, this subsection shall be deemed void and shall not affect any other section or clause in this Declaration.

c. Timesharing; Short-Term Rentals. No "time sharing", "interval ownership" or similar interest, whereby ownership of a Unit is shared by owners on a time basis, shall be established on any Unit without the prior written approval of all Owners (which such approval shall be in the sole and absolute individual judgment of each of the Owners) and all lienors holding a first mortgage or first deed of trust of record on the Property, which approval shall be reflected in a document of record. Owner shall have the right to lease or allow occupancy of a Unit upon such terms and conditions as the Owner may deem advisable, subject to restrictions of record and the terms of this Declaration. For purposes of this Declaration, the term "lease" shall mean any agreement or arrangement for occupancy of the Unit by persons other than the Owner, but shall not include occupancy by a roommate of an Owner when the Owner also occupies the Unit as such Owner's primary residence. The lease term must be at least six (6) months, with the exception that

any Owner shall also be permitted to lease their Unit for one three (3) month period during each calendar year. By way of example, an Owner would be permitted to lease their Unit for one six (6) month period and one three (3) month period in each calendar year. Leases and rentals shall be for, or of, the entire Unit and must be in writing.

d. Noxious or Offensive Activities. No noxious or offensive activity shall be carried on upon any part of the Property nor shall anything be done or placed on it or in any part of the Property which is or may become a nuisance or cause embarrassment, disturbance, or annoyance to others. No activity shall be conducted on any part of the Property and no improvements shall be made or constructed on any part of the Property which are or might be unsafe or hazardous to any person or property. No sound shall be emitted on any part of the Property which is unreasonably loud or annoying. No odor shall be emitted on any part of the Property which is noxious or offensive to others. No flood lights or other exterior or interior lighting shall be installed or situated on or about any Unit so as to shine directly into the windows or rooftop decks of any other Unit.

e. Pets. No pets shall be allowed in the Units except as permitted by applicable county or municipal ordinance. The provisions stated herein which concern noise, disturbance, annoyance and destruction shall govern any incident or event with regard to any pet brought on or into a Unit by the Owner or any guest, tenant or invitee of an Owner. Notwithstanding anything to the contrary in any applicable county or municipal ordinance, no fowl, birds, animals, reptiles, rodents or insects shall be kept on or in any Unit, except dogs, cats and fish provided that are not kept, bred or maintained for any commercial purpose. No more than two (2) dogs may be kept on or in any Unit. No more than four (4) cats may be kept on or in any Unit.

f. Unsightliness. No unsightliness or waste shall be permitted on or in any exterior part of the Property. No person or Owner shall keep or store anything in open view or in any part of the Property, nor shall any person or Owner bring, erect, affix or place anything in open view upon any part of the Property and nothing shall be placed on or in any part of the Property including in windows or doors (except inside an Owner's garage) which creates an unsightly appearance.

g. Boats and Recreational Vehicles and Other Items. Except as provided for by applicable county or municipal land use laws or ordinances, no boats, recreational vehicles and similar crafts, vehicles, trucks, commercial vehicles, trailers, mobile homes or detached camper units or any other items shall be kept, stored, parked or maintained in open view on or in any part of the Property except inside an Owner's garage.

h. Occupancy Restrictions. No Unit shall be occupied for living or sleeping purposes by more persons than the Unit was designed to safely accommodate. Units shall be used and occupied primarily for a residence and secondarily for a home office if the home office complies with the following criteria: (i) no goods or merchandise may be produced, stored, displayed or sold as a part of the business conducted at the home office; (ii) only one other person not a resident in the Unit may be employed or associated with the business conducted at the home office; (iii) no separate entrance to the home office shall be permitted; (iv) no signs identifying the home office shall be permitted and (v) such use complies with the land use regulations of the applicable governmental authority.

i. Windows and Doors. No exterior windows or doors of any Units shall be altered in any way or repainted by any person without the written consent and coordination of all Owners which consent shall not be unreasonably withheld, conditioned, or delayed, and no person shall cause any window air conditioner or other device or article to protrude outside the sash of an exterior window.

j. Signs and Advertising. Except as provided for by the applicable county or municipal code or the Act (specifically C.R.S. § 38-33.3-106.5), no sign or advertising device of any nature shall be erected or maintained on any exterior part of the Property without the prior written consent of all of the Owners; provided, however, “for sale” or “for rent” and property management signs of reasonable size and content may be displayed.

k. Trash and Recycling Receptacles. Trash and recycling receptacles owned and maintained by each Owner shall remain inside each such Owner’s own garage and be taken to any common dumpster or other trash receptacle on the appropriate trash or recycling day. A common trash removal service shall be used by all Owners, and each Owner shall have an easement over and across the Property as necessary to place each trash receptacle at the designated spot for trash or recycling pick up as applicable. Owners shall have the duty to promptly return any trash receptacle to their garage or otherwise to the interior of their Unit.

l. Roof Top Hot Tubs. Roof Decks on all Units have been structurally designed to support a hot tub of specified dimensions in specified areas. Owners are advised to consult the Property’s Structural Engineer (if available) or such other licensed professional and review the plans and specifications for the Property prior to hot tub installation to determine allowable weight limits and other limitations. It shall be Owner’s sole responsibility to ensure that the installation meets all engineering and structural requirements regarding the size, weight and location of the hot tub. Any structural or water damages, regardless of cause, shall be the sole responsibility of the Unit Owner to promptly repair, remediate or replace as necessary. Any damage to the Units shall be addressed per Section 13 of this Declaration.

m. Parking Cars. Cars or other vehicles are not allowed to be parked or otherwise obstruct the access driveways and must be kept within the garage of each Unit. Any Owner may, without prior notice, request that any vehicle parked in violation of the foregoing be towed or otherwise removed from the Property. .

n. Rentals. All leases and rental agreements shall be in writing and shall conform with applicable statute and county and municipal ordinance.

o. Open Burning. The open burning of wood (or any products other than propane, natural gas or charcoal briquettes) is prohibited anywhere upon the Property. No Owner shall permit any condition upon a Unit which creates a fire hazard, or is in violation of applicable fire prevention regulations or applicable county or municipal ordinance.

p. Snow, Ice, and Debris Removal on Balconies and Rooftops. In order to maintain structural integrity and to ensure adequate drainage, snow and ice accumulation on Roof decks must be removed promptly and not allowed to accumulate over three (3) inches. Snow and ice removal

should be performed using a plastic edged snow shovel in order to avoid damaging rooftop structures. It is each Unit Owner's responsibility to remove snow and ice in a safe manner, exercising care to not cause injury or damage to person or property during snow removal process. Snow and ice removal shall not be deposited to neighboring Units but safely removed to an appropriate location on the ground in front of Owner's Unit.

Accumulation that is allowed to melt and/or become compacted and/or freeze could prevent further snowmelt or rainfall from draining appropriately which may lead to water damage to Owner's Unit as well as to neighboring Units. Trash and debris shall also be removed promptly and not be allowed to accumulate as such accumulation may cause similar structural or water damage issues. Should investigation reveal damage to any neighboring Unit to be the result of an Owner's inadequate removal of snow/ice/trash/debris, such damage shall be deemed negligence and Section 13(c) of this Agreement shall apply when addressing responsibility of repair.

q. Icicles. Icicles can pose both safety and structural dangers. Icicles that hang from an object may fall and cause injury and/or damage to persons or property below. In addition, ice deposits can be heavy and if enough icicles form, the weight of the ice may damage the structural integrity of Units. Colorado experiences weather conditions that can cause icicle formation. Unit Owners in Colorado are responsible for maintaining the safety of their property for themselves and all visitors and Owners shall promptly remove icicles and limit icicles from forming or accumulating. Unit Owners or any agents thereof shall ensure proper safety precautions are followed to ensure falling ice does not pose a threat to any person or property.

17. NOTICE. Each Owner shall register its mailing address with the Management Company (if any) and with the other Owners and all notices or demands intended to be served upon Owners shall be sent by certified mail, postage prepaid, addressed in the name of the Owner at such registered mailing address. In the alternative, at Management Company's decision, notices may be delivered personally to the Owners in written form.

18. DURATION OF DECLARATION. This Declaration is intended to and shall run with the land and shall be binding on all persons having or acquiring any interest in the Property, the Units or any part thereof; shall inure to the benefit of and be binding upon every part of the Property and every interest therein; shall inure to the benefit of and be binding upon and be enforceable by Declarant, its successors-in-interest, each Owner, and such Owner's successors-in-interest. . All provisions contained in this Declaration shall continue and remain in full force and effect unless and until this Declaration is terminated by recorded instrument, directing termination, signed by all Owners and all lienors holding a first mortgage or first deed of trust of record on any portion of the Units.

19. AMENDMENT OR REVOCATION.

a. Except as otherwise provided herein, this Declaration may be amended or revoked only (i) by Declarant so long as Declarant owns all of the Units, or (ii) upon the written approval in recordable form of not less than 2/3 of the Owners and 2/3 of the lienors holding a first mortgage or first deed of trust of record on any portion of the Units ("First Mortgagee"). First Mortgagee consent will be presumed if the Owners

send a dated written notice and a copy of any proposed amendment by certified mail to each First Mortgagee at its most recent address as shown on the recorded deed of trust or recorded assignment thereof, and cause the dated notice together with information on how to obtain a copy of the proposed amendment to be printed in full at least two times, at least one week apart, in a newspaper of general circulation in the county in which the Property is located. A First Mortgagee that does not deliver a negative written response within sixty (60) days of the second printed notice will be deemed to have approved the proposed amendment.

- b. As an exception, recordation of an amendment may be done solely by the Declarant, with no other Owner approvals necessary to correct clerical errors contained within this Declaration. In addition, Declarant shall also have the right to record an amendment to reflect a final Improvement Survey Plat containing all 15 Units and associated property improvements which may be done following the parcel reconfiguration of such Units, and shall only require the signature of a majority of then-existing Unit Owners. Any such agreements must be properly recorded in the office of the clerk and recorder of the applicable governmental authority..

20. EFFECT OF PROVISION OF DECLARATION. Each provision of this Declaration, and any agreement, promise, covenant and undertaking to comply with each provision of this Declaration, and any necessary exception or reservation or grant of title, estate, right or interest to effectuate any provision of this Declaration: (i) shall be deemed incorporated in each Conveyance Instrument and/or other instrument by which any right, title or interest in any portion of a Unit is granted, devised or conveyed, whether or not set forth or referred to in such deed or other instrument; (ii) shall, by virtue of acceptance of any right, title or interest in any portion of a Unit by an Owner, be deemed accepted, ratified, adopted and declared as a personal covenant of such Owner and, as a personal covenant, shall be binding on such Owner and such Owner's heirs, personal representatives, successors and assigns; and shall be deemed a personal covenant to, with and for the benefit of each Owner of any portion of a Unit, and (iii) shall be deemed a real covenant by Declarant, for itself, its successors and assigns, and also an equitable servitude, running, in each case, as a burden with and upon the title to each and every portion of a Unit.

21. ENFORCEMENT AND REMEDIES.

a. Each provision of this Declaration shall be enforceable by the Management Company or by any Owner by a proceeding for a prohibitive or mandatory injunction or by a suit or action to recover damages. If arbitration or court proceedings are instituted in connection with the rights of enforcement and remedies provided in this Declaration, the substantially prevailing party shall be entitled to recover its reasonable, out-of-pocket costs and expenses in connection therewith, including reasonable attorneys' fees.

b. Each Owner hereby agrees that any and all court actions in equity or at law which are instituted to enforce any provision hereunder shall be brought in the courts of the County where Property is located.

c. Failure to enforce any provision of this Declaration shall not operate as a waiver of any such provision, the right to enforce such provision thereafter, or of any other provision of this Declaration.

22. DISPUTE RESOLUTION.

a. Nothing contained in this Section 22 is intended to prevent the parties from attempting to resolve any differences between them through the normal course of business and communications. It is only when the parties are unable to resolve their differences and they wish to proceed further through the assertion of a "Claim" as defined herein, that the Mandatory Dispute Resolution provisions contained in this Article are activated. TO THE MAXIMUM EXTENT PERMITTED BY LAW, EACH OWNER HEREBY WAIVES ANY RIGHT TO TRIAL BY JURY IN ANY LITIGATION OR TO HAVE A JURY PARTICIPATE IN RESOLVING ANY CLAIM OR DISPUTE ARISING OUT OF OR WITH RESPECT TO THIS AGREEMENT OR ANY OTHER INSTRUMENT, DOCUMENT OR AGREEMENT EXECUTED OR DELIVERED IN CONNECTION HEREWITH OR THE TRANSACTIONS RELATED HERETO.

b. Declarant, the Management Company, all Owners; design professionals, builders, including any of their subcontractors and suppliers, and any person not otherwise subject to this Declaration but who agrees to submit to this Article (each such entity being referred to as a "Bound Party"), agree to encourage the good faith and amicable resolution of disputes involving the Property. Accordingly, each Bound Party covenants and agrees to submit all Claims each may have to the procedures set forth in this Section 22 and not to a court of law.

c. This Section 22 shall apply to any and all Claims or disputes that may arise as between Declarant and an Owner in any way related to this Agreement, the Unit, Building or the Property. Each Owner expressly acknowledges that such Owner must comply, in full, with Section 22(g) below as a condition precedent to the filing of any claims against Declarant including any demand for mediation or arbitration as set forth below.

d. All "Claims" shall be subject to and resolved by submitting the Claim to mediation (to the extent not first resolved by the Notice of Claims Process as outlined below), and if not resolved during mediation, shall be resolved by Mandatory Binding Arbitration under the Construction Industry Arbitration Rules of the American Arbitration Association, in Denver, Colorado. The results of the arbitration shall be final and binding upon all parties to the arbitration. All awards may be filed by any party with the Clerk of the City and County of Denver District Court and an appropriate judgment entered thereon. The non-prevailing party in any arbitration shall pay all reasonable, out-of-pocket costs and expenses of the arbitration, including the arbitrator's fee, and the prevailing party's reasonable attorney's fees.

e. Definition of "Claim" - All claims, disputes and other controversies arising out of or relating to the:

- i. Contract for Sale and Purchase of a Unit between Declarant and Owner;
- ii. interpretation, application or enforcement of this Declaration;

iii. land development, design and/or construction of the improvements within the Property, Units or a Building and/or any alleged defect therein;

iv. rights, obligations and duties of any Bound Party under this Declaration; and/or breach thereof, and

v. any other claim not specifically excluded under subsection (f) below.

f. The following shall not be Claims and shall not be subject to the provisions of this Section 22:

i. any action to enforce non-payment of shared expenses, under the provisions of Section 9 (Shared Expenses), or to collect duly imposed fines and penalties, or to foreclose a lien under the provisions of Section 14 (Right to Lien);

ii. any suit to obtain a temporary restraining order or injunction and such other ancillary relief as the court may deem necessary in order to enforce the provisions of Section 8(c)(structural or design changes) or Section 16 (Restrictions);

iii. any suit between or among Owners, which does not include Declarant or the Management Company as a party; and/or

iv. any suit in which any indispensable party is not a Bound Party.

g. Notice of Claim Process. Prior to filing any demand for mediation or arbitration as set forth in Sections 22(h) and 22(i) below, the Owner shall provide Declarant with a Notice of Claim which describes any Claims the Owner alleges against Declarant arising out of this Agreement, the Building, Unit, or Property. Upon receipt of the Notice of Claim, Declarant shall have a period of not less than ninety (90) days from receipt to review and resolve the Claims prior to any demand for mediation or arbitration being made by the Owner. The Owner shall provide Declarant access to the Unit for inspection, if necessary, as part of Declarant's review of the Owner's Claim. During this ninety (90) day time period, and without acknowledging any legal obligation to do so, Declarant may elect, at its sole option and discretion, to do one or more of the following: (1) resolve some or all of the Claims identified in the Owner's Notice of Claim at Declarant's cost and expense; (2) reject some or all of the Owner's Claims; or (3) tender to the Owner in lawful currency such amount as Declarant may determine in Declarant's sole and absolute judgment. In the event that Declarant elects to resolve all claims or tender to the Owner the amount claimed by Owner in its Notice of Claim, the Owner shall release Declarant from any and all further liability in any way related to the Claims and shall execute all such documents in support of the same. The Owner's failure to comply with this Notice of Claim Process shall constitute a waiver of any and all Claims the Owner may have against Declarant in any way related to this Agreement, the Unit, Building or Property. In the event that Declarant fails or refuses to resolve the Owner's Claims within the 90 day period, the Owner may then invoke the Mediation provisions set forth in Section 22(h) below.

h. Mediation. If a dispute arises relating to this Agreement and is not resolved through the Notice of Claim Process identified above, Owner must then proceed in good faith to submit the

matter to mediation as a condition precedent to filing a demand for arbitration. Mediation is a process in which the parties meet with an impartial person who helps to resolve the dispute informally and confidentially. Mediators cannot impose binding decisions. The parties to the dispute must agree, in writing, before any settlement is binding. The parties will jointly appoint an acceptable mediator and will share equally in the cost of such mediation. Notwithstanding anything to the contrary in the foregoing, the parties shall each be individually responsible for their own respective costs, including attorneys' fees and the costs of inspections or any third party experts or consultants, incurred in the mediation process. The mediation, unless otherwise agreed, will terminate in the event the entire dispute is not resolved within sixty days of the date written notice requesting mediation is delivered by one party to the other at the party's last known address. This section will not alter any date in this Agreement, unless otherwise agreed.

i. Binding Arbitration. Following full compliance with Sections 22(g) and 22(h), either party may submit any remaining dispute, controversy or claim concerning the rights or obligations of the parties under the Agreement to binding arbitration pursuant to the American Arbitration Association Construction Arbitration Rules and Mediation Procedures and subject to the laws of Colorado. Each of Owner and Declarant agrees that such arbitration shall be mandatory and binding and shall be in lieu of any other legal process or remedy. Arbitration may be requested by either party and shall be conducted in Denver, Colorado. Any arbitrator must be experienced in the new home construction industry, its practices and standards of performance. If Declarant is deemed to be the substantially prevailing party in any arbitration, Declarant shall be awarded all attorney's fees and costs incurred as a result of any dispute or claim including escrow fees. The parties shall share in payment the initial costs and deposits for the arbitration. Should any party fail to pay its portion of the arbitration costs by any deadline established by the dispute resolution provider, the paying party shall be awarded a default judgment and shall be granted relief in accordance with its claims. Any award of costs shall include those initially paid for arbitration. Declarant shall have the sole right to remove, at its sole and absolute discretion, any arbitration action filed by Owner or Declarant, as described in this Section, to any court of law with jurisdiction.

j. Joinder of Claims. Owner shall not be permitted to join or consolidate any of its claims against Declarant with any other owners in the Building or on the Property.

k. Colorado Construction Defect Law. In the event the Owner's Claims include repairs or construction deficiencies, this Section 22 shall not be construed as a waiver of any rights or obligations of the parties as set forth under Colorado's Construction Defect Action Reform Act, C.R.S. 13- 20-801 et. seq. ("CDARA"). No steps taken by Declarant or any other person to inspect, test, correct or repair any alleged deficiencies shall operate to extend any time periods set forth under CDARA or under any applicable warranty with respect to the Unit, Building or Property.

1. Amendment. This Section 22 may not be amended in whole or in part unless the Owners unanimously approve the amendment, and for the first nine years following the recording of this Declaration in the real property records of the applicable governmental authority, the prior written approval of Declarant is also required.

23. FORMATION OF UNIT OWNER'S ASSOCIATION. The Owners expressly agree that they will not form a unit owner's association, as defined by the Act, prior to the expiration of nine (9) years after the recording of this Declaration in the real property records of the applicable

governmental authority. After the expiration of nine (9) years after the recordation of this Declaration, the Owners may form a unit owner's association upon the written approval in recordable form of not less than 2/3 of the Owners and 2/3 of the First Mortgagees. This Section 23 may not be amended in whole or in part by a vote of the Owners until the expiration of nine (9) years after the recording of this Declaration in the real property records of the applicable governmental authority.

24. EXERCISE OF RIGHTS. Any exercise of right granted hereunder by one Owner with respect to any other Owner's Unit including but not limited to the use of any easement granted herein shall be exercised in a manner which shall not unreasonably hinder, impede or impose upon such other Owner's use of such Owner's Unit.

25. SUCCESSORS AND ASSIGNS. Except as otherwise provided herein, this Declaration shall be binding upon and shall inure to the benefit of Declarant and each Owner and the heirs, personal representatives, successors and assigns of each.

26. SEVERABILITY. Invalidity or unenforceability of any provision of this Declaration in whole or in part shall not affect the validity or enforceable part of any other provision of this Declaration. It is the intention of Declarant that this Property shall qualify for the small community exemption provided by C.R.S. § 38-33.3-116(2), and nothing in this Declaration shall be construed or operate, as to any obligations of Declarant or Owners, in a manner which would render the exemption inapplicable.

27. CAPTIONS. The captions and headings in this instrument are for convenience only and shall not be considered in construing any provisions of this Declaration.

28. CONSTRUCTION. Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, plural the singular, and the use of any gender shall include all genders.

Dated this 12th day of February, 2025.

[signature pages follow]

DECLARANT:

Piper Heights, LLC, a Colorado limited liability company

By:

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

Subscribed and sworn to before me this 12th day of February, 2025, by
Nathan Adams as Manager, Piper Heights, LLC, a Colorado Limited Liability
Company.

Witness my hand and official seal.

My commission expires: 5/29/27.

Lisa Kathryn Porter
Notary Public

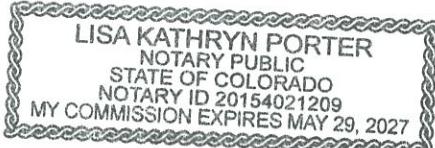


EXHIBIT "A"

1642 & 1652 NORTH LAFAYETTE STREET

IMPROVEMENT SURVEY PLAT AND PARCEL RECONFIGURATION SURVEY
LOCATED IN THE SOUTHWEST ONE QUARTER OF SECTION 35, TOWNSHIP 3 SOUTH, RANGE 68 WEST OF THE 1ST P.M.
LOTS 29 TO 32, TOGETHER WITH THE NORTH 1/2 OF LOT 28 AND THE SOUTH 8 FEET OF LOT 33, EXCLUDING THE REAR 20 FEET INCLUSIVE, BLOCK 27,
PARK AVENUE ADDITION TO THE CITY OF DENVER, CITY AND COUNTY OF DENVER, STATE OF COLORADO.

(SHEET 2 OF 2)

500 FT
100 FT
50 FT
25 FT

YARDAGE

LINE

SITE

NS

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