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CONDOMINIUM DECLARATIONS  
FOR  
FORT COLLINS CONDO-INVESTMENT CENTER  
A CONDOMINIUM

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OMITTING RESTRICTIONS HEREIN, IF ANY, BASED ON RACE, COLOR,  
RELIGION OR NATIONAL ORIGIN.

CONDOMINIUM DECLARATIONS  
FOR  
FORT COLLINS CONDO-INVESTMENT CENTER  
A CONDOMINIUM

KNOW ALL MEN BY THESE PRESENTS:

THAT WHEREAS, William F. Vigor and Clinton I. Schultz, d/b/a Vigor and Schultz Development Company, a co-partnership, hereinafter called the "Declarants," are the owners of the real property situate in the County of Larimer, State of Colorado, described as follows, to-wit:

Description of property is attached hereto, marked as Exhibit "A" and incorporated herein by reference.

the above described property being hereinafter referred to as "the property," and

WHEREAS, Owners desire to establish, by this Declaration, a plan for the individual ownership of that part of the property consisting of the area or space contained in each of the condominium units in said buildings and the co-ownership, as tenants in common, of all the remainder of the property and improvements thereon, which are hereinafter defined and referred to as the "common elements." Such plan is hereby declared to be for the benefit of the property and the owners thereof, their heirs, successors, administrators, grantees and assigns, and is for the purpose of designating the property as condominium property under the provisions of the Condominium Ownership Act of the State of Colorado, Article 15 of Chapter 118 of 1963 Colorado Revised Statutes, as amended.

NOW, THEREFORE, Declarants do hereby publish and declare that the following terms, covenants, conditions, easements, reservations, restrictions, uses, limitations and obligations shall be deemed to run with the land, shall be a burden and a benefit to Declarants, their transferees, assigns, and successors, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees or assigns.

1. Definitions:

A. All applicable portions of definitions as contained in 1963 Colorado Revised Statutes, Chapter 118-15-3 shall apply to this Declaration and the property except as particularly modified or changed by individual definitions hereinafter contained.

B. "Unit" means an individual air space which is contained within the perimeter walls, floors and ceilings of each such unit in a building as shown on the condominium map, together with all improvements and fixtures contained therein, but not including any of the structural components of the building within which such air space is located. Air space between the ground level and the first floor shall be deemed part of a unit.

C. "Condominium Unit" means the fee simple interest and title in and to the Unit and the appurtenant undivided interest in and to the general and limited common elements.

D. "Building" means one of the building improvements containing units as shown on the map.

E. "Map," "plans," "Condominium Plat," or "Condominium map" means and includes the engineering survey of the property locating thereon all of the improvements and designating the buildings and units.

F. "Owner" means a person, firm, corporation, partnership, association or other legal entity, or any combination thereof, who owns one or more condominium units.

G. "Unit Project Factor" means the number which is equal to the total square feet of floor space in a unit divided by one hundred (See Exhibit "B").

H. "Project Ratio" means the ratio of an owner's unit project factor to the total sum of the unit project factor of all the owners within the completed project, expressed as a percentage.

I. "General Common Elements" means that portion of the land first hereinabove described allocated to one or more buildings as is shown and described on the map; the structural components of the buildings thereon; and all other parts of such land and the improvements thereon necessary or convenient to its existence, maintenance and safety which are normally and reasonably in common use, including the air space above such land except those air spaces identified on the map as units, all of which shall be owned, as tenants in common, by the owners of the separate units, each unit owner shall have an equal undivided interest in such general common elements.

J. "Mortgagee" shall mean and include Mortgagee, holder of Deed of Trust, or any other legally recognized real property security interest in a unit.

K. "Limited Common Elements" (L.C.E.) means those

parts of the general common elements which are either limited to and reserved for the exclusive use of an owner of a condominium unit or are limited to and reserved for the common use of more than one but fewer than all of the condominium unit owners, all as shown on the map or as may be subsequently determined by the association of Unit Owners.

L. "Entire Premises or Property" means and includes the land, the buildings, all improvements and structures thereon and all rights, easements and appurtenances belonging thereto.

M. "Common Expenses" means and includes expenses for maintenance, limited trash removal as more fully provided in paragraph 19 following, water, sewage, insurance, snow removal, repair, operation, management and administration; expenses declared common expenses by the provisions of this Declaration and by the By-Laws and Articles of Fort Collins Condo-Investment Association; and all sums lawfully assessed against the general common elements by the Association.

Assessment of the unit owners shall be as determined by the Board of Directors of the Association from time to time, which assessments may not be equal for all owners where good cause is shown.

N. "Association of Unit Owners" or "Association" means Fort Collins Condo-Investment Center Association, a Colorado corporation not for profit, the Articles and By-Laws of which shall govern the administration of this and other condominium property, the members of which shall be all of the owners of the condominium units in the entire premises and all of the owners in other property which Declarants may commit to condominium purposes all as is hereafter provided.

2. Condominium Map: The map may be filed for record in whole or in sections from time to time as the stages of construction of units and other improvements are substantially completed. Each section of the map filed subsequent to the first map filed shall be termed a supplement to such first map and the numerical sequence of such supplements shall be shown thereon. The map, or any part or section thereof depicting units, shall not be filed for record until the building in which the units are located has been substantially completed in order to permit the location of each unit. Each such map shall be filed for record prior to the conveyance of any condominium unit to a purchaser. The first such map shall depict and show at least the legal description of all of the property, together with a survey thereof, and the

outside perimeter boundary of each building within which units shall be located. Subsequent maps shall depict and show the following, to the extent such information and data is now shown on the first map: the location of each building; the location of the unit within the building; and the unit designation and the building symbols. There shall be filed for record as part of any map the certificate of a Registered Professional Land Surveyor, certifying that the data and information shown on such map is a survey of the condominium property, that it was made under his supervision, and that it is an accurate delineation of the survey. In interpreting the map, the existing physical boundaries of each separate unit as constructed shall be conclusively presumed to be its boundaries. Declarants reserve the right to amend a previously recorded map from time to time in order to conform such map to the actual location of any of the constructed improvements, and Declarants further reserve the right to amend any plat or map in order to vacate, extend the use to other property, establish or relocate easements, access roads and off-site parking areas including, but not limited to, easements constructed as provided at paragraphs 12 and 19. All easements shown on any map are reserved to Declarants for such use and disposition as Declarants deem appropriate, provided ingress and egress easements are granted as stated in paragraph 7.

The Declarants further declare that pursuant to the reservation herein contained to file subsequent condominium maps on adjacent lands, the easements, roads, drives and general common elements shall be extended, without further specific reference in said subsequent filings, to grant full right of use and benefit to the owners of units in said subsequent filings.

3. Limited Common Elements: A portion of the general common elements is set aside and reserved for the use of the individual owners of units as follows: Exclusive use - the front entrance, rear entrance and front entrance patio area adjoining and associated with a unit shall be used exclusively by the owner of such unit and his guest, notwithstanding any other provisions of this Declaration. Each owner shall be responsible for keeping his front entrance, rear entrance and front entrance patio area in a slightly condition, free from snow, ice or debris of any kind.

4. Division of Property into Condominium Units: The property is hereby divided into separate fee simple estates, each such estate consisting of the following:

A. The unit, each such unit to be identified and located on the condominium map.

B. An appurtenant undivided interest in and to the general common elements as shown on the map, to be finally determined and vested by the project ratio upon completion of the project and filing of the final map.

C. The limited common elements allocable to each unit as described at paragraph 3.

5. Inseparability of a Condominium Unit: Each unit and the undivided interest in the general and limited common elements appurtenant thereto shall be inseparable and may be conveyed, leased, rented or encumbered only as a condominium unit.

6. Non-Partitionability of General Common Elements: The general common elements shall remain undivided and no owner shall bring any action for partition or division thereof. Nothing contained herein shall be construed as a limitation of the right of partition of a condominium unit between the owners thereof, but such partition shall not affect any other condominium unit.

7. Description of Condominium Unit: Every contract for the sale of a condominium unit written prior to the substantial completion of the building in which it is to be located and prior to the filing of the map may legally describe a condominium unit by its identifying unit and building designation followed by the words "Fort Collins Condo-Investment Center, a Condominium," with further reference to the map thereof to be filed for record and the recorded Declarations. Subsequent to the filing of the map on which such unit is designated, every contract, deed, lease, mortgage, trust deed or other instrument may legally describe such condominium unit by its identifying unit designation and building designation as shown on the map or maps followed by the words "Fort Collins Condo-Investment Center, a Condominium," with further reference to the map filed for record and the recorded Declarations. Where the condominium unit to be conveyed is shown on a "Supplement" map, as provided in paragraph 2 above, it shall be so stated.

Every such description shall be deemed good and sufficient for all purposes to sell, convey, transfer, encumber or otherwise affect the unit, the general common elements, and the limited common elements appurtenant thereto. Each such description shall be construed to include a non-exclusive easement for ingress and egress to and from the unit and the general and limited common elements appurtenant thereto. The initial deed conveying a condominium unit may contain reservations, exceptions and exclusions which the Declarants deem to be consistent with the best interests of all condominium unit owners and the Association.

8. Ownership - Title: A condominium unit may be held and owned by more than one person as joint tenants, or as tenants in common, or in any real property tenancy relationship recognized under the laws of the State of Colorado.

9. Separate Assessment and Taxation - Notice to Assessor: Declarant shall give written notice to the Assessor of the County of Larimer, State of Colorado, of the creation of condominium ownership of this property as is provided by law, so that each unit and the undivided interest in the general common elements appurtenant thereto shall be deemed a separate parcel and subject to separate assessment and taxation.

10. Use of General and Limited Common Elements: Each owner may use the general common elements in common with the other condominium unit owners, and the limited common elements in accordance with the purpose for which they are intended. The Association may adopt rules and regulations governing the use of general and limited common elements, and pursuant to which general common elements are allocated to the exclusive use of the owners of particular units as limited common elements, provided such rules and regulations shall be uniform and non-discriminatory.

11. Use and Occupancy: Each unit shall be used and occupied principally for light industrial, fabrication, light manufacturing, commercial and business, as more fully hereinafter defined and restricted in paragraph 19. Restrictive Covenants, by the owner and by the owner's guests, invitees and tenants. Declarants and their employees, representatives, agents and contractors may maintain construction facilities and yards during the construction and sales period and may bring and park such vehicles and other equipment upon the premises as shall be reasonably necessary in construction.

12. Easements for Encroachments: The owners of the respective condominium units agree that if any portion of the common areas and facilities encroaches upon the condominium units, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event a structure is partially or totally destroyed and then rebuilt, the owners of condominium units therein agree that minor encroachment of parts of the common areas and facilities due to construction shall be permitted and that valid easement for said encroachment and the maintenance thereof shall exist.

There is hereby created a blanket easement upon, across, over and under the above described premises for ingress, egress, installation, replacing, repairing and maintaining all utilities, including but not limited to water, sewers, gas, telephones and electricity, and antenna systems. By virtue of this easement, it shall be expressly permissible for the providing electrical and/or telephone company to erect and maintain the necessary poles and other necessary equipment on said property and to affix and maintain electrical and/or telephone wires, circuits and conduits on, above, across and under the roofs and exterior walls of said



condominiums. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines or other utilities may be installed or relocated on said premises except as initially programmed and approved by the major builder of said premises or thereafter approved by said builder or the Association's Board of Directors. This easement shall in no way affect any other recorded easement on said premises.

An easement is also reserved in, on and over each condominium unit to permit the Association or its designees to effect any desired or necessary maintenance or repairs to a building.

13. Mechanic's Lien Rights and Indemnification: Subsequent to the completion of the improvements described on the map, no labor performed or materials furnished and incorporated in a unit with the consent of or at the request of the owner thereof, or his agent, or his contractor or subcontractor shall be the basis for filing a lien against the condominium unit of any other owner not expressly consenting to or requesting the same. Each owner shall indemnify and hold harmless each of the owners from and against all liability arising from the claim of any lien against the condominium unit of any other owner for construction performed, or for labor, materials, service or products incorporated in the owner's unit at such owner's express or implied request. The provisions herein contained are subject to the rights of the Association as set forth in paragraph 15.

14. Administration and Management: The administration of this condominium property shall be governed by the By-Laws of Fort Collins Condo-Investment Center Association, a Colorado corporation not for profit, hereinafter referred to as the "Association." An owner of a condominium unit shall become a member of the Association upon conveyance to him of his condominium unit and shall remain a member for the period of his ownership. As shown and reserved to Declarants in the Articles of Incorporation and By-Laws for Fort Collins Condo-Investment Center Association, until December 1, 1975, the designation and appointment of a Board of Directors for the Association may, at Declarants' option, be exercised by the Declarants.

Declarants reserve the right to include as members of the Association the owners of additional condominium units which Declarants may locate on adjacent lands now owned or hereafter owned by Declarants.

15. Reservation for Access - Maintenance, Repair and Emergencies: The Association shall have the irrevocable right to have access to each unit from time to time during reasonable hours as may be necessary for the maintenance, repair or replacement

of any of the general common elements therein, or for making emergency repairs therein necessary to prevent damage to the general or limited common elements or to another unit. Damage to the interior or any part of a condominium unit resulting from the emergency repairs within another unit, at the instance of the Association, shall be a common expense of all of the owner's units in the building where the repairs and damages to units was occasioned. No diminution or abatement of common expense assessments shall be claimed or allowed for inconveniences or discomfort arising from the making of repairs or improvements or from action taken to comply with any law, ordinance or order of a governmental authority. Restoration of the damaged improvements shall be substantially the same as the condition in which they existed prior to the damage. Notwithstanding the foregoing, if any such damage is the result of the carelessness or negligence of any owner, then such owner shall be solely responsible for the costs and expense of repairing such damage.

16. Owners' Maintenance Responsibility of Unit: For purposes of maintenance, repair, alteration and remodeling, an owner shall be deemed to own the interior non-supporting walls, the material (such as, but not limited to, plaster, gypsum, dry wall, paneling, wallpaper, paint, wall and floor tile, and floorings, but not including the sub-flooring) making up the finished surfaces of the perimeter walls, ceilings and floors within the unit and the unit doors and windows. The owner shall not be deemed to own lines, pipes, wires, conduits or systems (which for brevity are hereafter referred to as utilities) running through his unit which serve one or more other units except as a tenant in common with the other owners. Such utilities shall not be disturbed or relocated by any owner without the written consent and approval of the Association. Any right to repair, alter and remodel shall carry the obligation to replace any finishing or other materials removed with similar or other types or kinds of materials. An owner shall maintain and keep in repair the interior of his unit, including the fixtures thereof. All fixtures and equipment installed within the unit commencing at a point where the utilities enter the unit shall be maintained and kept in repair by the owner thereof. An owner shall do no act nor work that will impair the structural soundness or integrity of the building or impair any easement or hereditament. The Association shall not be liable for any failure of water supply, or other service to be obtained and paid for by the Association hereunder, or for injury or damage to person or property caused by the elements, or by another owner or person in the project, or resulting from electricity, water, rain, dust or sand which may leak or flow from outside or from any parts of the buildings or from any of its pipes, drains, conduits, appliances or equipment or from any other place, unless caused by gross negligence of the Association or its agents.

17. Compliance with Provisions of Declaration, By-Laws of Association: Each owner shall comply strictly with the provisions of this Declaration, the Certificate of Incorporation and By-Laws of the Association, and the decisions and resolutions of the Association adopted pursuant thereto as the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due and for damages or injunctive relief, or both, maintainable by the Association on behalf of the owners, or, in a proper case, by an aggrieved owner.

18. Revocation or Amendment to Declaration: Except as is otherwise provided herein, this Declaration shall not be revoked nor shall any of the provisions herein be amended unless: (A) the consent and permission of the Association be first obtained, and (B) unless the consent of 70 percent, or more, of the owners representing an aggregate ownership interest in the general common elements be first obtained, and (C) the consent of all of the holders of any recorded mortgages or trust deeds be first obtained. Such consents, and each of them, shall be evidenced by recorded instruments.

19. Assessment for Common Expenses: All owners shall be obligated to pay the estimated assessments imposed by the Association to meet the common expenses attributable to the property included in this Declaration, the owners shall at all times maintain with the Association or its designated agent a sum on deposit equal to the estimated maintenance fee for the next following six (6) months. On new units sold the six (6) months estimated maintenance fee shall be paid at time of closing. For the purpose of making and determining assessments all units containing 1,500 square feet or less shall be treated the same with assessments appropriately pro rated, except for direct charges such as, but not limited to, insurance, trash and taxes. A unit containing more than 1,500 square feet shall be assessed as one unit for the first 1,500 square feet and in addition thereto the owner of the unit shall be assessed for each additional square foot based on the per square foot assessment of the first 1,500 square feet. Assessments for insurance premiums shall be based upon the proportion of the total premiums that the insurance carried on an individual condominium unit bears to total coverage and, further, one-half (1/2) cubic yard of trash removal shall be provided each week for each unit owner of 1,500 square feet of floor space or less and additional floor space in a unit shall entitle the unit owner to a proportionate additional amount of trash removal as a common expense to all unit owners, trash in excess of that allowed shall be subject to special assessment and/or the responsibility of the unit owner as directed by the Association. Assessments for water and sewage shall be equitably prorated by the Association and collected from the unit owners monthly. The limited common elements shall be maintained as general common elements and owners having exclusive use thereof shall not be subject to any special charges or assessments. Assessments for the estimated common expenses, including insurance, water, trash removal, snow removal,

maintenance and sewage, shall be due monthly in advance on the first day of each month. The Association shall prepare and deliver by mail to each owner a monthly statement for the estimated actual expenses.

Contributions for monthly assessments shall be prorated if the ownership of a condominium unit commences on a day other than the first day of a month.

The assessments made for the common expenses shall be based upon the cash requirements deemed to be the aggregate sum the Association shall from time to time determine is to be paid by all of the owners, including Declarants, to provide for payment of all estimated expenses growing out of or connected with the maintenance and operation of the general common elements, which sum may include among other things, expenses of management; taxes and special assessments until separately assessed; fire insurance with extended coverage and vandalism and malicious mischief insurance with endorsements attached issued in the amount of the maximum replacement value of all of the condominium units, including all fixtures, interior walls and partitions, decorated and finished surfaces of perimeter walls, floors and ceilings, doors, windows and elements or materials comprising a part of the unit; casualty and public liability and other insurance premiums; landscaping and care of grounds; common lighting; repairs and renovations; trash and garbage collections; wages, water charges, legal and accounting fees; management fees; expenses and liabilities incurred by the Association under or by reason of this Declaration; the payment of any deficit remaining from a previous period; the creation of reasonable contingency or other reserve sinking or surplus funds, as well as other costs and expenses relating to the general common elements.

Declarants reserve the right to include as members of the Association the owners of additional condominium units which Declarants may locate on adjacent lands now owned or hereafter owned by Declarants.

Whenever a new condominium project is established by Declarants on adjacent lands, such condominium shall be subject to a recorded Declaration substantially similar in form and substance to this Declaration. The owners of each condominium unit in any such additional condominium project may be required to be members of the Association. Declarants reserve the right to commit condominium units to the Association. In the event additional condominium units are committed to the Association as aforesaid, only the costs and expenses attributable to the general

common elements shall be billed proportionately to all members of the Association, commencing on the date when the Declaration for any such additional condominium units is recorded.

20. Insurance: The Association shall obtain and maintain at all times insurance of the type and kind provided hereinabove, and including such other risks of a similar or dissimilar nature as are or shall hereafter customarily be covered with respect to other condominium buildings, fixtures, equipment and personal property, similar in construction design, all issued by responsible insurance companies authorized to do business in the State of Colorado. The insurance shall be carried in blanket policy form naming the Association the insured as attorney in fact (for the condominium unit owners of units committed to the Association), which policy shall identify the interest of each condominium owner (owner's name, unit number, building symbol or designation, the appurtenant undivided interest in the general common elements, the Declaration under which the condominium was established) and which policy or policies shall provide a standard non-contributory Mortgagee clause in favor of each first Mortgagee, providing in part that no policy shall be cancelled by either the insured or the insurance company until after ten (10) days prior written notice is first given to each owner and each first Mortgagee. The Association shall furnish a certified copy of such blanket policy and the certificate identifying the interest of the Mortgagor to any party in interest at request. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of a particular owner guilty of a breach of warranty, act, omission, negligence or non-compliance of any provision of such policy, including payment of the insurance premium applicable to that owner's interest, or who permits or fails to prevent the happening of any event, whether occurring before or after a loss, which under the provisions of such policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy as to the interest of all other insured owners not guilty of any such act or omission, shall not be invalidated or suspended and shall remain in full force and effect.

Insurance coverage on the furnishings and other items of personal property belonging to an owner, and casualty and public liability insurance coverage within each individual unit shall be the responsibility of the owner thereof.

The Association shall, at least annually, obtain an appraisal for insurance purposes which shall be maintained as a permanent record, showing that the insurance in any year represents 100 percent of the replacement value of each unit and the recreational facilities vested in the Association.

21. Lien for Non-Payment of Assessments: It shall be the duty of the owner of each condominium unit to pay his proportionate share of the common expenses, expenses of administration, maintenance and repair of the common elements, water, sewage, trash removal, taxes, insurance and fixed charges allocated or assessed to such unit and its corresponding condominium interest, and of any other expense set forth in these Declarations. Payment thereof shall be in such amounts and at such times as may be determined by the Association.

If any condominium unit owner shall fail or refuse to make any such payment of the common expenses when due, the amount thereof shall constitute a lien on the condominium interest of such owner as set forth in the deed of conveyance to him, together with his interest in common elements, and upon the recording of notice thereof by the Association, such lien shall be constituted upon such unit owner's interest of condominium property prior to all other liens and encumbrances, recorded or unrecorded, except only (a) taxes, special assessments and special taxes theretofore or thereafter levied by any political subdivision or municipal corporation of this state and other state or federal taxes which by law are a lien on the interest of such unit owner prior to pre-existing recorded encumbrances thereon, and (b) including all unpaid obligatory sums as may be provided by such encumbrance, and including additional advances made thereon prior to the arising of such lien.

To evidence such lien for unpaid assessments, the Association shall prepare a written notice setting forth the amount, the name of the owner of the condominium unit and a description of the condominium unit. Such notice shall be signed on behalf of the Association by an officer of the Association and shall be recorded in the office of the Clerk and Recorder of the County of Larimer. Such lien shall attach from the date of the failure of payment of the assessment. Such lien may be enforced by foreclosure by the Association of the defaulting owner's condominium unit in like manner as mortgages on real property. The lien provided herein shall be in favor of the Association and for the benefit of all of the condominium unit owners who are members of the Association. In any such foreclosure the owner shall be required to pay the costs and expenses of such proceedings, the costs, expenses and attorney's fees for filing the notice or claim of lien and all reasonable attorney's fees in connection with such foreclosure. The owner shall also be required to pay to the Association the monthly assessment for the condominium unit during the period of foreclosure and the Association shall be entitled to receiver to collect the same. The Association on behalf of the unit owners shall have the power to bid in the condominium unit at foreclosure sale and to acquire, hold, lease, mortgage and convey same. The

Association shall send to each first Mortgagee a copy of the notice of lien provided for herein. Any encumbrancer holding a lien on a condominium unit may, but shall not be required to, pay any unpaid common expense payable with respect thereto and upon such payment, such encumbrancer shall have a lien on such unit for the amounts paid, of the same rank as the lien of his encumbrance.

22. Owners' Obligation for Payment of Assessments: The amount of the expenses assessed by the Association against each condominium unit shall be the personal and individual debt of the owner thereof at the time the assessment is made. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing same. No owner may exempt himself from liability for his contribution toward the common expenses by a waiver of the use or enjoyment of any of the common elements, or by abandonment of his unit.

23. Liability for Common Expenses upon Transfer of Condominium Unit is Joint: Upon payment of a reasonable fee not to exceed \$20.00 and upon the written request of any owner, any Mortgagee, or any prospective Mortgagee of a condominium unit, the Association shall issue a written statement setting forth the amount of the unpaid expenses assessed to such unit, if any, the amount of the current monthly assessment and the date that such assessment becomes due, credit for advanced payments or for prepaid items, including but not limited to insurance premiums, which statement shall be conclusive upon the Association in favor of all persons who rely thereon in good faith. Unless such request for a statement of indebtedness shall be complied with within ten (10) days, all unpaid common expenses which become due prior to the date of making such request shall be subordinate to the lien of the person requesting such statement.

The grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter for his proportionate share of expenses up to the time of the grant or conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor; provided, however, that upon payment of a reasonable fee not to exceed \$20.00, and upon written request any such prospective grantee shall be entitled to a statement from the Association setting forth the amount of the unpaid assessments, if any, with respect to the subject unit, the amount of the current monthly assessment and the date that such assessment becomes due, credit for advanced payments or for prepaid items, including but not limited to insurance premiums, which shall be conclusive upon the

Association, unless such request for a statement of indebtedness shall be complied with within ten (10) days of such request, then such grantee shall not be liable for, nor shall the condominium unit conveyed be subject to lien for any unpaid assessments against the subject unit.

24. Mortgaging a Condominium Unit - Priority: Any owner shall have the right from time to time to mortgage or encumber his interest by Deed of Trust, Mortgage or other security interest. A first mortgage shall be one which has first and paramount priority under applicable law. The owner of a condominium unit may create junior mortgages on the following conditions: (1) That any such junior mortgages shall always be subordinate to all terms, conditions, expenses, and other obligations created by this Declaration and by the By-Laws; (2) That the Mortgagee under any junior mortgage shall release, for the purpose of restoration of any improvements upon the mortgaged premises, all of his right, title and interest in and to the proceeds under all insurance policies upon the mortgaged premises by the Association. Such release shall be furnished forthwith by a junior mortgagee upon written request of the Association, and if not granted, may be executed by the Association as attorney in fact for such junior mortgagee.

25. Association - Attorney in Fact: This Declaration does hereby make mandatory the irrevocable appointment of an attorney in fact to deal with the property upon its damage, destruction or obsolescence. Title to any condominium unit is declared and expressly made subject to the terms and conditions hereof, and acceptance by any grantee of a deed from the Declarants or from any owner shall constitute appointment of the attorney in fact herein provided. All of the owners irrevocably constitute and appoint Fort Collins Condo-Investment Center Association, a Colorado corporation not for profit, their true and lawful attorney in their name, place and stead for the purpose of dealing with their property upon its damage, destruction or obsolescence as is hereinafter provided. As attorney in fact, the Association shall have full and complete authorization, right and power to make, execute and deliver any contract, deed or any other instrument with respect to the interest of a condominium unit owner which may be necessary and appropriate to exercise the powers herein granted. Repair and reconstruction of the improvements as used in the succeeding subparagraph means restoring the improvements to substantially the same condition in which they existed prior to the damage, with each unit and the general and limited elements having the same vertical and horizontal boundaries as before. The proceeds of any insurance collected shall be available to the Association for the purpose of repair, restoration or replacements as is provided hereinafter.



(A) In the event of damage or destruction due to fire or other disaster, the insurance proceeds, if sufficient to reconstruct the improvements, shall be applied by the Association, as attorney in fact, to such reconstruction, and the improvements shall be promptly repaired and reconstructed. The Association shall have full authority, rights and power, as attorney in fact, to cause the repair and restoration of the improvements.

(B) If the insurance proceeds are insufficient to repair and reconstruct the improvements and if such damage is not more than fifty percent of the replacement value of the condominium units, not including land, such damage or destruction shall be promptly repaired and reconstructed by the Association, as attorney in fact, using the proceeds of insurance on the condominium units in the building or buildings which have been damaged or destroyed and the proceeds of an assessment against the owners of units in such building or buildings. The deficiency assessment shall be an expense assessed only to the unit owners in destroyed or damaged buildings in the ratio of the number of units in each such damaged or destroyed building. No such owner shall have any right of contribution, or other claim relating to such damage or destruction, against any other owner. Such deficiency assessment shall be in an amount determined exclusively and finally by the Association (after consultation with such owners, appraisers, and others as it deems appropriate) and shall be due and payable within thirty (30) days after written notice thereof. The Association shall have full authority, right and power, as attorney in fact, to cause the repair or restoration of the improvements, using all of the insurance proceeds for such purpose notwithstanding the failure of an owner to pay the assessment. The assessment provided for herein shall be a debt of each owner as aforesaid and a lien on his condominium unit and may be enforced and collected as is provided in paragraph 21. In addition thereto, the Association, as attorney in fact, shall have the absolute right and power to sell the condominium unit of any owner refusing or failing to pay such deficiency assessment within the time provided, and if not so paid the Association shall cause to be recorded a notice that the condominium unit of the delinquent owner shall be sold by the Association as attorney in fact under the provisions hereof. The proceeds derived from the sale of such condominium unit shall be used and disbursed by the Association as attorney in fact in the following order:

1. For payment of the balance of the lien of a first mortgage.
2. For payment of taxes and special assessment liens in favor of any assessing entity.
3. For payment of unpaid common expenses.
4. For payment of junior liens and encumbrances in the order of and to the extent of their priority.
5. The balance remaining, if any, shall be paid to the condominium unit owner.

(C) If more than fifty percent of the replacement value of the condominium units, not including land, are destroyed or damaged, and if the owners representing an aggregate ownership interest of seventy percent, or more, of the general common elements, do not voluntarily, within 100 days thereafter, make provisions for reconstruction, which plan must be approved by the Association and have the unanimous approval or consent of every first Mortgagee, the Association shall forthwith record a notice setting forth such fact or facts, and upon the recording of such notice by the Association, the entire premises with all property of the Association shall be sold by the Association, as attorney in fact, for all of the owners, free and clear of the provisions contained in this Declaration, the map and the By-Laws. The insurance settlement proceeds shall be collected by the Association, and such proceeds shall be divided by the Association according to each condominium unit owner's interest (as such interests appear on the policy or policies), and such divided proceeds shall be paid into separate accounts, each such account representing one of the condominium units. Each such account shall be in the name of the Association, and shall be further identified by the number of the units, building symbol and the name of the Association, and shall be further identified by the number of the units, building symbol and the name of the owner. From each separate account the Association, as attorney in fact, shall forthwith use and disburse the total amount (of each) of such accounts, without contribution from one account to another, toward the full payment of the lien of any first mortgage against the condominium unit represented by such separate account. Thereafter, each such account shall be supplemented