

**Condominium Declaration Of  
Ski & Racquet' Club Condominiums  
Breckenridge, Colorado**

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**Condominium Declaration  
Of  
Ski & Racquet Club Condominiums  
Breckenridge, Colorado**

This Declaration is made this 1<sup>st</sup> day of September 1977, by Pioneer Bank & Trust Company, an Illinois banking corporation (hereinafter the "Declarant").

PREAMBLE

Declarant is the fee simple owner of certain real property, described in Exhibit A, in Summit County, Colorado (hereinafter the "Property"). Declarant submits the Property, together with all buildings, structures and improvements of any kind on the Property, and all its rights and privileges in any way pertaining thereto, to the Colorado Condominium Ownership Act.

The Declaration establishes certain rights and easements with respect to the Property for the Declarant and all future owners of any part of the Property or of any unit thereon. Declarant intends that such owners, mortgagees, occupants and any other persons hereafter acquiring any interest in the Property, shall at all times enjoy the benefits of, and shall hold their interests subject to, the rights, easements, privileges and restrictions set forth below. All such rights, easements, privileges and restrictions are declared to be in furtherance of a plan to promote and protect the value, desirability and attractiveness of the Property and the ownership of units thereon.

Therefore, Declarant declares as follows: 1. Definitions

The following terms, whenever used in this Declaration, shall have the following meaning, unless a different meaning is clearly required from the context.

1.1 "Alteration" means a change in the existing or planned structures or improvements (as designated on the map of the property recorded with the Clerk and Recorder, Summit County, Colorado) other than by maintenance.

1.2 "Association" shall mean Ski and Racquet Club, Ltd., the non-stock, non-profit corporation organized and existing under the laws of the State of Colorado by which all Owners act as a group under the Association's Articles of Incorporation, By-Laws and this Declaration.

1.3 "Board" shall mean the Board of Managers of the Association, as constituted from time to time.

1.4 "By-Laws" shall mean the by-laws of the Association existing from time to time, whether or not recorded.

1.5 "Common Elements" shall mean the land or interest therein on which buildings are located; the foundations, columns, girders, beams, supports, main walls, roofs, halls, corridors, lobbies, stairs, stairway, fire escapes, entrances, and exits of such buildings; the basements, yards, gardens, parking areas, and storage spaces; the premises for the lodging of custodians or persons in charge of the Property; installations of central services such as power, light, gas, hot and cold water, heating, refrigeration, central air conditioning, and incinerating; the elevators, tanks, pumps, motors, fans, compressors, ducts, and in general all apparatus and installations existing for common use; Community Facilities; and all other parts of the Property not part of a Unit, and the personal property necessary or convenient to its existence, maintenance, and safety, or normally in common use. "General Common Elements" shall mean those Common Elements reserved for use by all the Owners. "Limited Common Elements" shall mean those Common Elements reserved for use by fewer than all the Owners.

1.6 "Common Expense" shall mean the estimated and actual cost of administration, operation and management of the property, and the estimated and actual expense of Maintenance, alterations and improvement thereof.

1.7 "Community Facilities" shall mean all recreational buildings, swimming pools, tennis courts, landscaped area, private roadways (including parking areas) and walkways existing from time to time on the Property, for the common use and enjoyment of all the Owners.

1.8 "Declarant" shall mean Pioneer Bank & Trust Company and its successors and assigns other than purchasers of individual Units.

1.9 "Improvement" means the addition of new and different structures or facilities other than those referred to in this Declaration. (As amended on April 15, 1978).

1.10 "Maintenance" shall mean the repair, renovation, restoration, reconstruction, rebuilding or replacement of any portion of the Property or any personal property thereon as may be necessary to maintain the project in the same condition as originally or subsequently constructed, altered or improved.

1.11 "Mortgage--Mortgagee--Mortgagor" shall include a deed of trust, beneficiary, and trustor or grantor thereof, respectively.

1.12 "Owner" shall mean the person or persons holding title to a Unit.

1.13 "Property" shall mean the real property in Summit County, Colorado, more fully described in Exhibit A, together with all buildings, structures and improvements of any kind thereon.

1.14 "Unit" shall mean an individual air space unit consisting of enclosed rooms occupying any part of a floor in a building to be used for residential purposes and having access to a public street, and shall include the center line of walls, floors and ceilings bounding another unit or Common Elements, the center line of outside walls, an undivided and non-partitionable interest in the General Common Elements in the proportions set forth in Exhibit B, and an undivided and non-partitionable interest in the Limited Connor. Elements as set forth in this Declaration.-The Units are depicted on the Map of the Property recorded with the Clerk and Recorder, Summit County, Colorado, but the surfaces described in this definition are the boundaries in fact, whether or not: accurately depicted on such Map.

## 2. Owners' Property Rights and Limitations

2.1 Legal Description. The description of a Unit, together with its appurtenant undivided interest in the Common Elements, in every contract or other instrument for the sale of or otherwise affecting title to a Unit shall be sufficient if the Unit is described as follows:

Condominium Unit \_\_\_ in Building \_\_\_ as shown on the Condominium Map for Ski & Racquet Club Condominiums filed in the records of the Clerk and Recorder of Summit County on \_\_\_\_\_, 1977, Book \_\_\_ at Page \_\_\_, and as defined and described in the Condominium Declaration for Ski & Racquet Club Condominiums, Breckenridge, Colorado, appearing in such records, filed \_\_\_\_\_, 1977, in Book \_\_\_ at Page \_\_\_\_.

2.2 Easement to community Facilities. Appurtenant to each Unit shall be a non-exclusive easement, including without limitation the right and easement of ingress in, to and over, the Community Facilities, subject to the following provisions:

- a) The right of the Association reasonably to limit the number of guests (not including

- lessees or members of the Owner's or lessee's family residing in a Unit) of Owners using the Community Facilities;
- b) the right of the Association to establish uniform rules and regulations as to the use of the Community Facilities, including without limitation the right of the Association to establish and enforce parking restrictions;
  - c) the right of the Association to change uniform and reasonable admission and other fees to persons other than Owners or residents for the use of limited capacity Community Facilities;
  - d) the right of the Association to suspend the right, of an Owner, lessees, their families and guests to use the Community Facilities for any periods during which any assessment against his Unit remains unpaid and delinquent, and for a period not to exceed 30 days for any single infraction of the rules and regulations of the Association, so long as any such suspension is in accordance with the procedures for notice and hearing set forth in the By-Laws; and
  - e) the right of the Declarant, its agents and representatives, to the non-exclusive use of the Community Facilities for sales, display and exhibit purposes, which right Declarant hereby reserves for such time as Declarant is the actual or beneficial Owner of any Unit.

2.3 Easement to Roadways. Declarant and all Owners shall have non-exclusive easements for vehicular traffic over all private roadways on the Property, subject to such parking or other restrictions as may be posted by the Association or Summit County.

2.4 Easement to Common Elements. Declarant, for itself, its successors and assigns, hereby conveys to the Association an. easement over the Common Elements, free and clear of all liens and encumbrances, except those covenants, restrictions, conditions, reservations, or other liens or encumbrances of record, and including those set forth in this Declaration.

2.5 Utilities and Governmental Easements. Declarant expressly reserves and grants to public utility companies and governmental authorities, easements as necessary for the proper development and maintenance of the Property, including without limitation the right of the fire department and police to enter upon any part of the Common Elements. Declarant expressly reserves for the benefit of the Association the right to grant additional easements and rights of way over the Common Elements to utility companies and governmental authorities, as necessary, for the proper maintenance, development and disposal of the Property.

2.6 Right of Entry to Units. The Association and its designated agents shall have a limited right of entry in and upon each Unit in case of an emergency originating in or threatening such Unit, whether the Owner is present or not. Furthermore, an Owner shall permit other Owners, the Association, or their designated agents, to enter his Unit for the purpose of performing required installation, alterations or repair to the mechanical or electrical services to a Unit or to the Common Elements, so long as such requests for entry are made in advance and that such entry is at a time reasonably convenient to the Owner whose Unit is to be entered. In case of an emergency, such right of entry shall be immediate.

2.7 Easements for Encroachment. If for any reason any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements or any other Unit, valid easements for the maintenance of such encroachment are established and shall exist for the benefit of such Unit or Common Elements so encroaching, so long as all or any part of the building containing such Unit or Common Elements so encroaching remains standing. In no event, however, shall a valid easement for any encroachment be created in favor of the Owner or Owners if such encroachment occurred due to the willful conduct of such Owner or Owners.

2.8 Easements to Balconies. An exclusive easement is hereby declared and established for the benefit of each Unit, consisting of the right to use and occupy the balcony to which such Unit has sole access, if any. Such a balcony shall be a Limited Common Element. No Owner shall

decorate, fence, enclose or adorn such balcony without the prior written authorization of a majority of the members of the Board.

2.9 Individual Tax Liability. Declarant shall give written notice to the assessor of the County of Summit, Colorado, of the creation of condominium ownership of the Property, as provided by law, so that each Unit and the undivided interest in the Common Elements appurtenant thereto shall be deemed a parcel and subject to separate assessment and taxation.

2.10 Undivided, Non-Partitionable Interest. The Common Elements shall remain undivided and no Owner or any other person may bring an action for the partition or division of the whole or any part thereof with or without sale, except in the connection with the removal of all the Property from the condominium project pursuant to the provisions of Paragraphs 10.1 or 10.2.

### 3. Residence and Use Restrictions

3.1 Use as Residences Only. Subject to Paragraph 3.2, each Unit shall be used, whether by an Owner or his lessee, only as a single family residence. A Unit may be used for professional or administrative occupations without external evidence thereof, subject to any zoning provisions, ordinances or statutes existing from time to time affecting the Property, so long as the conduct of occupations in the Unit is merely incidental to the use of the Unit as a residence.

3.2 Use for Model or Display. Declarant and its designated agents may use any Units owned by it for a model home site, or display and sales office for sales of Units.

3.3 Nuisances. No noxious or offensive activity shall be carried on, in or upon any Common Element, nor shall anything be done therein or in any Unit which may be or become an unreasonable annoyance or a nuisance to any other Owner or resident of a Unit. No loud noises or noxious odors shall be permitted on the Property, and the Association shall have the right to determine if any activity, noise or odor constitutes a nuisance. No Owner shall permit or cause anything to be done or kept on the Property which will increase the rate of insurance thereon obtained under Article 9, or result in the cancellation of such insurance. Each Owner shall be accountable to the Association and other Owners for the conduct and behavior of persons residing in or visiting his Unit. Any damage to the Common Elements, personal property of the Association or property of another Owner, caused by any residents or visitors, shall be repaired at the sole expense of the Owner in whose Unit such persons are residing or visiting.

3.4 Sign Restrictions. No sign, poster, display, billboard or other advertising device shall be displayed to the public view on any portion of the Property, without the prior written consent of the Association, (as amended April 15, 1978).

3.5 Parking Restrictions. No Owner shall park any vehicle on the Property except wholly within a single parking area designated therefore. No inoperable vehicle shall be stored on the Property, No Owner shall park on the Property any large commercial-type vehicle. No Owner shall conduct or permit, to be conducted major repairs or restorations of any vehicle of whatever kind upon the Property.

3.6 Pet Restrictions. No animals, livestock, reptiles or poultry shall be kept in any Unit, excess the usual and customary domestic animals provided they are not kept, raised or bred for commercial purposes or in unreasonable numbers as determined by the Board. The Association Shall have the right to issue rules and regulations it deems appropriate concerning the keeping of pets and the obligations of owners and residents in connection therewith. An Owner shall be absolutely liable to each and all other Owners, their families, guests and invitees and the Association, for any unreasonable noise or damage to person or property caused by any animal brought or kept on the Property by such owner or by members of his family, his tenants or his guests. It is also the absolute responsibility of each such owner to clean up after such animals which have used the Common Elements or any other portion of the Property,

3.7 Eyesores and Fire Restrictions. No clothes, sheets, blankets, laundry of any kind or other articles shall be hung put or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials. Trash, garbage or other waste shall be disposed of only by depositing same into a designated trash container. No portion of the Property shall be used for the storage or building materials, refuse or any other materials other than in connection with approved construction. There shall be no exterior fires, except barbecue fires contained within receptacles therefore unless otherwise regulated or prohibited by the Association.

3.8 Out-Building Restrictions. No out-building, tent, shed, shack or other temporary building or improvement shall be placed upon any portion of the Property, except as permitted by the Association. No trailer, camper, motor home or recreation vehicle on the Property shall be used as a residence, either temporarily or permanently.

3.9 Structural Integrity. Nothing shall be done in any Unit, or in, on or to the Common Elements, which will impair the structural integrity of any building, or which would structurally change any building, except as otherwise provided in this Declaration. Subject to Section 3.10, nothing not planned as shown on the Map of the Property recorded with the Clerk and Recorder, Summit County, Colorado, shall be Altered or constructed in or on or removed from the Common Elements, except upon the authorization of the Association.

3.10 Permissions to Declarant. In order that Declarant's work may be completed and the Property be established as a fully occupied residential community as rapidly as possible, neither any Owner nor the Association shall do anything to interfere with, and nothing in this Declaration shall be understood or construed to:

- a) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from performing on any Unit owned by it whatever it determines to be necessary or advisable in connection with the completion of such work, including without limitation the alteration of construction plans and designs as Declarant deems advisable in the course of development; or
- b) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from erecting, constructing and maintaining on any portion of the Property such structures as may be reasonably necessary for the conduct of its or their business of completing the work and establishing the Property as a residential community and disposing of the same in Units by sale, lease or otherwise; or
- c) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from conducting on any portion of the Property its or their business of developing, subdividing, grading and constructing Units and other Improvements on the Property; or
- d) prevent Declarant, its successors or assigns, or its or their contractors or subcontractors, from maintaining such sign or signs on the Property as may be necessary in connection with the sale, lease or other marketing of Units.

#### 4. The Association

4.1 Business and Membership. The business and affairs of the condominium subject to this Declaration shall be governed and managed by the Association, through its Board of Managers. All Owners shall automatically be members of the Association, and such membership shall automatically cease upon termination of the Owner's interest in his Unit. Membership is appurtenant to the Unit, and may not be separately conveyed, encumbered or abandoned; Owners' voting rights shall be as set forth in the By-Laws.

4.2 Binding Effect. All Owners, family, tenants, guests and other persons using or occupying the Property shall be bound by and strictly comply with the provisions of this Declaration, the By-Laws, and all rules, regulations, agreements and determinations lawfully made by the

Association, which shall have the right and power to bring suit in its own name for such legal or equitable relief as may be appropriate to enforce compliance or for damages.

4.3 Power of the Association. Each owner agrees that the Association shall exercise all powers, rights and authority granted it by the Colorado Non-Profit Corporation Act and the Colorado Condominium Ownership Act, including without limitation the making of assessments chargeable to the Owners, the imposition of a lien on Units for any Common Expenses and the right to foreclose such lien, and the acquisition, holding, leasing, mortgaging or conveying of the Property on behalf of all Owners, each of whom shall be deemed to have waived all rights of partition and homestead.

## 5. Maintenance

5.1 Responsibilities of the Association. The Association is responsible for maintaining as a Common Expense: (a) all Common Elements, (b) a Unit to the extent of incidental damage caused through Maintenance by the Association, and (c) if deemed desirable by the Association, a Unit if the Owner thereof defaults in his responsibility therefore, subject to the reimbursement to the Association from such Owner by way of a special assessment which shall, until paid by him, constitute a lien on his Unit which may be perfected and foreclosed.

5.2 Responsibilities of Owners. Each Owner, at his own expense, is responsible for providing all Maintenance of and within his Unit, except as provided in Paragraph 5.1(b). Such Maintenance responsibility shall include, without limitation, the interior surfaces of the walls, ceilings, doors, windows and floors which define the Unit, and any finished or additional surfaces, decorating or materials installed by Declarant, the Owner, or their predecessors in interest, such as carpets, wallpaper, countertops, painting or staining, plug-in appliances and personality of any kind in the Unit. Each Owner is also responsible, at his own expense, for the cleaning of the balcony adjacent to his Unit and the maintenance of the sliding glass door thereto, and all other doors or windows on or in his Unit, and for the maintenance of all machines, attachments, installations and fixtures within the Unit, including without limitation, any fixtures and their connections required to provide to the Unit any central services such as power, light, gas, water, heating, refrigeration, central air conditioning, and incinerating, even if situated outside the Unit.

5.3 Notice to Maintain. An Owner shall immediately report to the Association the need for any Maintenance which is the Association's responsibility to provide. In the event of any disagreement, the decision of the Association shall be final.

5.4 Percentage Interests Permanent. No Alteration or Improvement of a Unit or the Property shall increase or decrease the percentage interest in the Common Elements appurtenant to any Unit.

5.5 Approvals Required. No Alteration or Improvement of a cost in excess of \$5,000.00, which is a Common Expense shall be made except with the prior approval of at least 80% of the total number of votes outstanding and entitled to be cast, at a membership meeting as provided in the By-Laws. No such Alteration or Improvement shall alter the percentage interest in the Common Elements appurtenant to each Unit, (as amended April 15, 1978).

5.6 Mechanics liens. As against the Association and the Owners, Declarant shall be responsible for the discharge and release of all mechanics' liens filed with respect to the Property or any portion thereof, if arising from labor performed or materials furnished at the instance of Declarant, its agents, contractor or subcontractors. Except as the result of labor performed or materials furnished at the instance of the Association, no labor performed or materials furnished with respect to the Property shall be the basis for filing a lien against the Common Elements or against any Unit whose Owner did not expressly consent to or request the performance of labor or furnishing of materials. Each Owner shall indemnify and hold harmless each of the other Owners and the Association from and against all liability arising from the claim of any lien claimant against the Unit of any other Owner or against the Common Elements, for labor performed or materials

furnished at such Owner's request or with his consent. The Association may pay, out of any fund, the amount necessary to discharge any lien or encumbrance levied against any portion of the Property which may, in its sole opinion, constitute a lien against the Property or Common Elements, rather than merely against the interest therein of the particular Owner at whose instance the labor was performed or material furnished. Such Owner shall be fully liable to the Association for the cost, including attorneys' fees, of discharging such lien or encumbrance, and such cost, together with interest thereon at a reasonable rate, shall be specifically assessed to such Owner and shall, until paid by him, constitute a lien on his Unit which may be perfected and foreclosed.

## 6. Assessments

6.1 Obligation and Purpose. Each Unit shall be subject to, and its Owners shall pay, such assessments as the Association may levy from time to time. The assessments shall be used exclusively to promote the recreation, health, safety and welfare of the residents on the Property, and for the Property's operation, Maintenance, Additions and Improvements.

6.2 General Assessments. General Assessments shall be based on a budget for a fiscal year designated by the Association, and shall include funds for the current Common Expenses of the Association and a reserve for Maintenance which cannot be expected to occur on an annual basis. Assessments shall be apportioned among the Owners generally according to their respective undivided percentage interest in the Common Elements as reflected on Exhibit B, but the Board shall have the authority to levy equal assessments for all Units within each category of one bedroom, two bedrooms and two bedrooms with den. Assessments respecting Limited Common Elements or which are equitably attributable to only particular buildings or Units shall be allocated by the Association to the Owners thereby affected. A brief summary of the annual budget shall accompany each assessment notice.

6.3 Assessment Lien and Liability. An assessment shall become due and payable at such time or times as the Association may determine. The Association shall have a lien on the Unit affected which shall attach from the date of the issuance of the assessment notice and the Association shall have the right to enforce it in the manner provided by law for the enforcement of Mortgages upon real property in the State of Colorado and if the collection requires legal proceedings, the costs thereof, including without limitation reasonable attorneys' fees, shall be added to and collectible in the same fashion as the assessment. The Association shall have the power to bid on the Unit at foreclosure sale, and to acquire and hold, lease, Mortgage and convey the same. Suit to recover a money judgment for unpaid Common Expenses shall be maintainable without foreclosing or waiving the lien securing the same, and this provision or any institution of suit to recover a money judgment shall not constitute an affirmation of the adequacy of money damages. Any recovery resulting from such a suit shall include costs of suit and reasonable attorneys' fees. An assessment shall be the personal obligation of the Owner at the time the assessment is levied against the Unit affected. An Owner may not exempt himself from liability by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit. Overdue assessments shall bear interest at the maximum contract rate permitted by law from time to time. The assessment lien is specifically made subordinate to the lien of any first Mortgage now or hereinafter placed on the Unit.

6.4 Grantee and Mortgagee Obligations. No Owner shall convey or mortgage his Unit unless and until all sums due the Association by way of assessment of any kind or other charge, whether evidenced by recorded lien or not, are currently paid and not delinquent. If there is a delinquency, the grantee or Mortgagee, before paying or disbursing to the Owner, shall apply the proceeds of such transactions first to the payment of delinquent amounts before payment to the Owner. The grantee of a Unit shall be jointly and severally liable with the grantor for all unpaid assessments against the latter 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 therefore. Upon written request, the Association shall issue a written statement under signature of the Treasurer or other person

designated by the Board to such grantee or Mortgagee verifying the status of all assessments or charges affecting the Unit, which statement, if to the effect that there are no delinquencies, shall constitute conclusive evidence of compliance with this Paragraph 6.4. At or prior to the closing of the first sale of a Unit by Declarant to a prospective Owner of an individual Unit, Declarant shall either certify to such person that no assessments have been levied against such Unit, or shall secure a certificate of the Treasurer of the Association or other person designated by the Board stating that all due and payable assessments against such Unit have been paid and further stating the amount of assessments which have been levied and which will accrue against such Unit subsequent to the date of closing.

## 7. Destruction

7.1 Association as Attorney-In-Fact. The Association is hereby made the irrevocable attorney-in-fact of each Owner to deal with the Property or any portion thereof upon its destruction, damage or obsolescence. An acceptance by any grantee of a deed or other instrument of conveyance from the Declarant or from any Owner or grantor shall constitute appointment of such attorney-in-fact. As attorney-in-fact, the Association shall have complete authorization to execute any contract, deed or other instrument with respect to the interest of an Owner which is appropriate to exercise the power herein granted.

7.2 Use of Insurance Proceeds. The proceeds collected from any insurance purchased by the Association shall be available to the Association for the purpose of Maintenance, unless the Owners decide to terminate this Declaration in accordance with the provisions set forth in Paragraph 11.2. All Mortgagees hereby release, for the purpose of Maintenance after destruction, all right, title and interest in and to the proceeds under all insurance policies purchased by the Association.

7.3 Special Assessments. In order to raise the remainder of the funds required for Maintenance after the application of any proceeds of insurance, the Association may levy one or more special assessments, against some or all Owners, as it shall determine in its sole discretion.

7.4 Estimates and Notice. If there is any partial or total destruction of the Property, the Association shall prepare an estimate of the damage, an estimate of the cost of Maintenance, an inventory of the Association's funds from all sources, including insurance, available for such Maintenance, and the amount of the assessments against each Unit which would be necessary to enable the Association to meet such costs in full. This information shall accompany the meeting notice required to be given to each Owner under the By-Laws.

## 8. Taking By Eminent Domain

8.1 Taking of Common Elements. If part of the Property shall be taken or condemned by any authority having the power of eminent domain, such that no Unit or Limited Conation Area appurtenant thereto is taken, all compensation and damages on account of the taking of the Common Elements, exclusive of compensation for consequential damages to affected Units, shall be payable to the Association on behalf of all Owners according to the loss or damages to their respective interests in such Common Elements. The Association shall have the right to act on behalf of the Owners in the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Elements. Such proceeds shall be used promptly by the Association to the extent necessary for Maintenance of the remaining Property in as substantial compliance to the original or subsequent plan of development as possible. If there is an award in excess of the amount necessary to so substantially maintain the Common Elements, it shall be distributed by the Association to the Owners in proportion to their share of ownership in the Common Elements. This Section does not prevent Owners whose Units are specially affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damages relating to loss of value of their Units, or personal improvements therein, exclusive of damages relating to Common Elements.

8.2 Partial Takings. If some but fewer than all Units are taken, or condemned by any authority having the power of eminent domain, the Owners thereof shall automatically cease to be members of the Association and cease to have any interest in the Common Elements. All the remaining Owners shall hold a meeting not later than 90 days after the entry of the order of taking or decree of condemnation., and shall adopt an amendment to this Declaration reorganizing this condominium to take account of the elimination of the condemned Units and their Owners from the Association, the necessary reallocations of the burdens and benefits of ownership {to be made, so far as practicable, in accordance with the general principles embodied in this Declaration) and making such other changes as may be necessary for the continued satisfactory operation of the Property in light of the nature and extent of the particular taking involved. The condemnation awards shall be paid over to the Owners whose Units were taken in proportion to the loss suffered by each, except that any compensation for the taking of common Elements shall be paid over to the Owners who were entitled to use the same immediately prior to the taking in proportion to their respective undivided percentage interests therein. The Association shall have the right to act en behalf of the Owners with respect to the Common Elements as in Paragraph 8.1.

8.3 Total Taking. If all the Units shall be taken or condemned by any authority having the power of eminent domain, this Declaration shall terminate. Unless otherwise ordered by the court, the total condemnation award shall be distributed as provided in Paragraph 10.3. The portions of the Property not taken shall be considered owned as tenants in common, by the Owners and shall be sold and the proceeds distributed by the Association as provided in Paragraph 10.3,

8.4 Owners' Claims. Where all or part of the Property is taken, by eminent domain, each Owner shall have the exclusive right\*to claim all of the award made for his personal property, and any relocation, moving expense or other allowance of a similar nature designed to facilitate relocation.

8.5 Notice. Any Owner receiving a notice of taking by eminent domain, or having knowledge of any threat thereof, shall promptly notify the Association. The Association, immediately upon having knowledge of any taking by eminent domain, or any threat thereof, shall promptly notify all Owners, all holders of Mortgages on the Common Elements, and those Mortgagees of Units who have filed with the Association a written request for such notice.

## 9. Insurance

9.1 Casualty Insurance. The Association shall insure the Property in such amounts as shall provide for full Maintenance thereof in the event of damage or destruction from the casualty against which such insurance is obtained. The insurance shall include fire insurance and extended coverage, vandalism and malicious mischief insurance and such other types of insurance as may, in the Association's opinion, serve the purpose of assuring that sufficient funds will be available to the Association if and when needed after a partial or total destruction. The Association may comply with the above requirement by the purchase of blanket coverage and may elect such deductible provisions as are in its opinion consistent with good business practice and the purpose for which the insurance is bought.

9.2 Named Insured and Interests. Policies of casualty insurance shall name the Association as the insured and the person to which payment is to be made as attorney-in-fact for all Owners, which policies shall identify the interest of each Unit, shall identify the first Mortgagee of each Unit, and shall provide that the policies may not be cancelled or substantially modified until after at least 30 days prior written notice is first given to each Owner, each first Mortgagee, and the Association.

9.3 Invalidation or Reduction of Coverage. All policies of insurance shall provide that the insurance thereunder shall be invalidated or suspended only in respect to the interest of any particular Owner guilty of a breach of warranty, an act, omission, negligence or non-compliance

with any provision of such policy, including payment of the insurance premium applicable to the Owner's interest, or who permits or fails to prevent any event, whether occurring before or after a loss, which under the provisions of the ' policy would otherwise invalidate or suspend the entire policy, but the insurance under any such policy as to the interests of all other insured Owners not guilty of any such act or omission shall remain in full force and effect. All policies of insurance shall provide that the insurer waives all rights of subrogation against Owners and residents of Units. No policy shall provide for reduction or termination of coverage because of the existence of separate insurance on any Unit.

9.4 Association as Attorney—In-Fact. The Association shall collect the proceeds of any casualty insurance as attorney-in-fact for all the Owners. If Maintenance work is required or is decided upon pursuant to Paragraph 10.2, such proceeds shall be used to pay for such work. But if Maintenance work is not required and not decided 'upon within 90 days of the occurrence of total destruction, the proceeds of any such insurance shall be disposed of pursuant to Paragraph 10.3.

9.5 Replacement Valuation. The determination of maximum replacement value of the Property for insurance purposes shall be made annually.

9.6 Liability Insurance. The Association shall purchase broad form comprehensive, liability coverage in such amounts and in such form as prudent condominium management practice may suggest. Coverage shall include as a minimum, liability for personal injuries or property damage suffered on or in Common Elements, and liabilities arising from the operation of motor vehicles on behalf of the Association. Such public liability coverage shall also cover cross-liability claims of one insured against another.

9.7 Other Insurance. The Association shall obtain such insurance against additional risks of a similar or dissimilar nature, including without limitation errors and omissions coverage for the Association and members of the Board, as it shall deem appropriate.

9.8 Premiums. Premiums for all insurance purchased by the Association shall be Common Expenses.

9.9 Responsibilities of Owners. Insurance coverage on furnishings, personal property, and casualty and public liability within each Unit is each Owner's responsibility. No insurance purchased by the Association shall in any way prejudice the right of each Owner to insure his own Unit and the property therein for his own benefit, but each policy which he so purchases for his own benefit shall provide that it does not diminish or in any way prejudice the Association's rights and protection under policies purchased and held by it. It shall also provide that the insurance carrier waives whatever rights of subrogation it may have or acquire against the Association, the other Owners, and the agents, servants or guests or any of them, by reason of any claims made under the individual Owner's policy.

9.10 Keeping of Policies. All insurance shall be carried with companies qualified to do business in Colorado. The originals of all insurance policies purchased by the Association shall be maintained and kept by the Association. A certificate of coverage of insurance shall be furnished by the Association upon request to any Owner or any Mortgagee of a Unit. Each insurance policy, except where such coverage is not obtainable, shall provide for a standard, non-contributory Mortgage Clause, in favor of each first Mortgage.

9.11 Contribution for Tort Liability. In the event of any tort liability which is not covered by insurance, each Owner shall contribute for the payment of such liability as a Common Expense, without prejudice however to the right of any Owners to call for a larger contribution from other Owners under any rule of law regarding liability for negligent or willful acts or omissions.

9.12 Savings Clause. Each requirement contained in this Article 9 is subject to the Association's ability to fulfill such requirement by the purchase of insurance with a reputable insurance

company doing business in the State of Colorado.

## 10. Tern, Revocation and Amendment of Declaration.

10.1 Terra of Declaration. The term of this Declaration shall continue until the sixty-fifth anniversary date of its original recordation, and shall thereafter be extended for successive periods of ten years each until this Declaration is revoked at any time during any successive period with the consent of 50% or more of the Owners by an instrument to that .effect duly recorded. The effective date of termination shall be not more than one year nor less than six months from the date that notice is sent by the Association to all Owners of the decision to terminate pursuant to this Section.

10.2 Revocation of Declaration. Except as provided in Section 10.1, this Declaration shall not be revoked unless all of the Owners consent and agree to such revocation by an instrument duly recorded. However, if there is destruction rendering 80% or more of the Units untenable, the failure of a vote of 90% or more of the votes outstanding and entitled to be cast, in favor of Maintenance of the Property, at a special meeting which shall be called and held within 90 days after the occurrence of the event causing the destruction, shall result in the revocation of this Declaration, and the Association shall duly record an instrument to that effect.

10.3 Disbursement of Proceeds. Upon revocation of this Declaration, the Property shall be sold by the Association, in whole or in parcels as the Association may deem appropriate. All sales proceeds or amounts recovered under any insurance policy shall be divided among the Owners, by Unit, according to each Unit's appurtenant percentage interest in the Common Elements as reflected in Exhibit B. The funds allocated to each account shall be disbursed, without contribution from one account to another, by the Association for the following purposes and in the following order:

- a) For payment of the allocable taxes and special assessment liens in favor of any Governmental assessing entity, and customary expenses of sale;
- b) for the payment of the balance of the lien of any first Mortgage on the Unit;
- c) for the payment of allocable unpaid Common Expenses and the costs, expenses and fees incurred by the Association;
- d) for payment of junior liens and encumbrances or the Unit in the order of and to the extent of their priority; and
- e) the balance remaining, if any, for payment to the Owner.

10.4 Amendment of Declaration. An amendment of this Declaration shall be deemed in effect if 75% or more of the votes outstanding and entitled to vote agree thereto by an instrument duly recorded, except that the percentage of the undivided interest in the Common Elements appurtenant to each Unit, as expressed in this Declaration in Exhibit B, shall have a permanent character and shall not 'be altered without the consent of all the Owners expressed in an amended Declaration duly recorded.

## 11. Miscellaneous

11.1 Number and Gender. Unless the context shall otherwise provide, singular number shall include the plural, plural the singular, and the use of any gender shall include all genders.

11.2 Construction. The provisions of this Declaration shall be liberally construed to effectuate its purpose of creating a uniform plan for the development of a residential community and for the maintenance of Community Facilities and Common Elements. Headings have been inserted for convenience only, and shall not be considered or referred to in resolving questions of interpretation or construction.

11.3 Headings. The headings appearing at the beginning of the articles and sections of this

Declaration are only for convenience of reference, and shall not affect in any manner the content, meaning or intent of any portion of this Declaration.

11.4 No Dedication. Nothing contained in this Declaration shall be deemed to be a gift or dedication of all or any part of the Property to the public or for any public use.

11.5 Notices. Any notice permitted or required to be delivered as provided in this Declaration shall be in writing and may be delivered either personally or by mail. If delivery is made by mail, it shall be deemed to have been delivered 72 hours after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association, or to the Unit owned by such person if no address has been given to the Association. Such address may be changed from time to time by notice in writing to the Association. Any notice to the Association shall be sent to such address as it may from time to time designate in writing to each Owner.

11.6 Disclaimer. No representations or warranties of any kind, express or implied, have been given or made by Declarant or its agents or employees in connection with the Property or any portion thereof, or any improvement thereon, its physical condition, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, Maintenance, cost of Maintenance, taxes or regulation thereof as a planned development, except as expressly set forth in this Declaration or any other condominium document.

In witness whereof, the Declarant has duly executed this Declaration this 1st day of September 1977.

Pioneer Bank & Trust Company

By Signature on file

ATTEST:

By Signature on file

STATE OF ILLINOIS            )  
  ) ss.  
COUNTY OF COOK            )

The foregoing instrument was acknowledged before me this 1st day of September, 1977, by Alfred Simpson as Vice President of Pioneer Bank & Trust Company.

Witness my hand and official seal.

Signature on file  
Notary Public

My commission expires: 8/10/79

EXHIBIT A

A TRACT OF LAND BEING A PORTION OF SECTION 6, TOWNSHIP 7 SOUTH, RANGE 77 WEST OF THE SIXTH PRINCIPAL MERIDIAN, SUBMIT COUNTY, COLORADO; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT WHENCE THE WEST ONE-QUARTER CORNER OF SAID SECTION 6 BEARS S 87° 20' 27" W 1948.05 FEET DISTANT; THENCE N 79° 27' 29" E A DISTANCE OF 170.30 FEET; THENCE N 35° 27' 30" E A DISTANCE OF 113.56 FEET; THENCE S 54° 32' 30" E A DISTANCE OF 51.10 FEET; THENCE 111.08 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 31° 00' 31" AND A RADIUS OF 205.24 FEET; THENCE S 23° 31' 59" E A DISTANCE OF 32.00 FEET; THENCE N 76° 26' 29" E A DISTANCE OF 24.05 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF COLORADO STATE HIGHWAY NO. 9; THENCE 58.75 FEET ALONG SAID WESTERLY RIGHT-OF-WAY LINE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 03° 16' 05", A RADIUS OF 1030.00 FEET AND A CHORD WHICH BEARS S 15° 09' 58" E 58.74 FEET DISTANT; THENCE S 66° 17' 03" W A DISTANCE OF 38.92 FEET; THENCE 190.73 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 34° 44' 40" AND A RADIUS OF 314.53 FEET; THENCE S 37° 12' 43" W A DISTANCE OF 143.31 FEET; THENCE N 10° 32' 31" W A DISTANCE OF 69.49 FEET; THENCE S 79° 27' 29" W A DISTANCE OF 700.54 FEET; THENCE 62.90 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 24° 41' 09", A RADIUS OF 146.00 FEET AND A CHORD WHICH BEARS N 18° 50' 34" W 62.42 FEET DISTANT; THENCE N 06° 29' 59" W A DISTANCE OF 110.00 FEET; THENCE 118.15 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A CENTRAL ANGLE OF 24° 58' 45" AND A RADIUS OF 271.00 FEET; THENCE N 79° 27' 29" E A DISTANCE OF 421.65 FEET; THENCE N 10° 32' 31" W A DISTANCE OF 9.65 FEET; THENCE N 55° 32' 31" W A DISTANCE OF 102.20 FEET; THENCE N 34° 27' 29" E A DISTANCE OF 183.14 FEET; THENCE S 55° 32' 31" E A DISTANCE OF 74.71 FEET; THENCE S 10° 32' 10" E A DISTANCE OF 101.98 FEET TO THE POINT OF BEGINNING, CONTAINING 302.200 SQUARE FEET OR 6.938 ACRES MORE OR LESS.

**Undivided Interests  
For  
Ski & Racquet Club of Breckenridge Condominiums**

Building A

1 <sup>st</sup> Floor		2 <sup>nd</sup> Floor		3 <sup>rd</sup> Floor		4 <sup>th</sup> Floor	
G-1	1.47%	101	1.47%	201	1.47%	P-1	1.47%
G-2	1.47%	102	1.47%	202	1.47%	P-2	1.47%
G-3	.88%	103	.88%	203	1.58%	P-3	1.56 2/3%
G-4	.88%	104	.88%	204	1.58%	P-4	1.56 2/3%
G-5	1.47%	105	1.47%	205	1.47%	P-5	1.47%
G-6	1.47%	106	1.47%	206	1.47%	P-6	1.47%

Building B

1 <sup>st</sup> Floor		2 <sup>nd</sup> Floor		3 <sup>rd</sup> Floor		4 <sup>th</sup> Floor	
G-1	1.47%	101	1.47%	201	1.47%	P-1	1.47%
G-2	1.47%	102	1.47%	202	1.47%	P-2	1.47%
G-3	.88%	103	.88%	203	1.58%	P-3	1.56 2/3%
G-4	.88%	104	.88%	204	1.58%	P-4	1.56 2/3%
G-5	1.47%	105	1.47%	205	1.47%	P-5	1.47%
G-6	1.47%	106	1.47%	206	1.47%	P-6	1.47%

Building C

1 <sup>st</sup> Floor		2 <sup>nd</sup> Floor		3 <sup>rd</sup> Floor		4 <sup>th</sup> Floor	
G-1	1.47%	101	1.47%	201	1.47%	P-1	1.47%
G-2	1.47%	102	1.47%	202	1.47%	P-2	1.47%
G-3	.88%	103	.88%	203	1.58%	P-3	1.56 2/3%
G-4	.88%	104	.88%	204	1.58%	P-4	1.56 2/3%
G-5	1.47%	105	1.47%	205	1.47%	P-5	1.47%
G-6	1.47%	106	1.47%	206	1.47%	P-6	1.47%